NORTHERN IRELAND PRISON SERVICE

ANNUAL REPORT AND ACCOUNTS 2024-25

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ANNUAL REPORT AND ACCOUNTS 2024-25
For the year ended 31 March 2025

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PERFORMANCE REPORT

OVERVIEW

The purpose of the overview is to provide sufficient information to ensure that the remit and purpose of the Agency is understood. The overview includes:

- a statement from the Director General providing her perspective on the performance of the Agency over the period;
- a statement of the purpose and activities of the Agency;
- the key issues and risks that could affect the Agency in delivering its objectives; and
- a performance summary.

FOREWORD BY ACCOUNTING OFFICER

I am pleased to present the Annual Report and Accounts for the Northern Ireland Prison Service (NIPS) for the year ending 31 March 2025.

At the outset, I would like to pay tribute to the continued dedication and commitment of staff across the organisation for their individual and collective contribution to the important work we do. I remain consistently impressed by the commitment of staff working across all parts of the organisation to hold prisoners safely and securely and to support and challenge those within the care of NIPS to change. With this shared purpose and a continued focus on improvement, the contribution of every individual remains critical to all we do, whether working as a prison officer, policy maker, or providing operational support.

In common with other jurisdictions, our operating context remains extremely complex and highly challenging, with staff managing many more prisoners than in recent years. We have experienced a 26% rise in the total prison population during the three years ending 1 April 2025, at which point it was 1,964. In the same period there has been an increase of over 65% in our female cohort (from 70 to 117) which means the population also requires careful management at Hydebank Wood. Levels of remand remain stubbornly high at 37% (725 people). The pressure is felt most acutely at Maghaberry Prison, which is the only adult male committal prison in Northern Ireland and has been acknowledged by inspectors as one of the most complex prisons in the UK. Maghaberry accommodates 67% of the prison population, of whom almost half are on remand and where a fine balance must be struck between managing the level of prisoners, impacts on staff and the infrastructure.

Changes in societal demographics are often concentrated in prison, with an aging population with additional health and social care needs; high levels of mental health and addiction issues requiring intervention; individuals who are subject to multi-agency public protection arrangements (PPANI) because of violent and/or sexual offending; and prisoners who are not from Northern Ireland.

At Maghaberry, as a result of the rise in population, we have re-opened two out of three Square Houses (Foyle and Erne). This accommodation closed when Davis House, NIPS most modern accommodation, was opened in 2020. Magilligan Prison is also operating at its full capacity of 500 prisoners - a challenge given the age and temporary nature of many of the buildings there.

All of these factors continue to place an immense strain upon the entire organisation and require daily attention from my senior leadership team in terms of both operational management and contingency planning. Our focus has rightly been in keeping those people who live and work in prison safe and secure, while supporting rehabilitation and resettlement.

I am pleased that, with the support of our Minister, we secured approval for officer numbers across the service to increase by 75. We are in the process of recruiting these officers and anticipate that they will be operational by June 2025. We also welcomed 36 non-operational staff (including professional and technical grades) into the organisation during the last year and we wish them well for their future career. However, our overall staffing complement remains well below the level required to maintain a full, rehabilitative regime for the current population.

With thanks to our staff and trade union colleagues, we have developed an initial response to the results of our first bespoke staff survey conducted during the early part of 2024. I am inspired by the level of engagement demonstrated by all through the detailed analysis conducted, complemented by a positive attitude to bringing about meaningful change and improvements by all involved.

I am pleased that the recently published Programme for Government (PfG) includes a commitment from the Executive to ensure there is sufficient capacity in prisons to hold people safely and securely and support their rehabilitation. NIPS will also play a key role in the Executive's commitment to work collectively to develop a cross-governmental strategy to reduce offending and reoffending. Importantly, this PfG commitment signals a recognition that many of the societal issues that contribute to offending behaviour lie beyond the gift of the justice system and will require collaborative and innovative approaches to tackle.

The work of our many partners within both the statutory sector and in particular, the voluntary and community sector remains fundamental to the support provided to those who find themselves incarcerated, for which I am very grateful. I would also like to acknowledge the continued constructive engagement of our trade unions and the important role they play in our prisons. Similarly, I am grateful to our healthcare in prisons partners for their vital work despite ongoing concerns around funding. I also want to place on record my thanks to our dedicated team of Chaplains and to the members of our Independent Monitoring Boards who give up their time on a voluntary basis. We owe a great debt of gratitude to all of those who work within our prisons, many of whom are unseen; they truly are unsung heroes.

Substantial progress has been made against the delivery of the third and final year of our Prisons 25 by 25 Continuous Improvement Programme. The three year Programme has focused on the delivery of rehabilitation through Our People, Our Services, Our Infrastructure, Our Partnerships and Our Contribution to the community we serve.

One of many highlights of the last year are the two exceptionally positive reports by the Criminal Justice Inspectorate for Northern Ireland on Hydebank Wood Secure College and Women's Prison. Both facilities for young male offenders and the women's prison received top marks – a first for a prison in Northern Ireland. The Minister very aptly described this achievement as the culmination of many years hard work by the Prison Service and its partner agencies, acknowledging that just over ten years ago, it was described by inspectors as a failing prison – today, it is a model of excellence and good practice.

Finally, I would like to place on record my thanks for the unwavering support of colleagues across the organisation, to the Prison Service Management Board and members of the Executive Forum. At its heart, prisons are about people – those who work there, and those who live there. Our staff are among the most dedicated and professional people working in the public sector and I look forward to building on the collective achievements of the organisation in the year ahead.

BEVERLEY WALL
Director General and Accounting Officer
Northern Ireland Prison Service

STATEMENT OF PURPOSE AND ACTIVITIES

History and statutory background

NIPS was established as an Executive Agency of the Northern Ireland Office in April 1995 under the Government's Next Steps Initiative.

On 12 April 2010 an amendment to Schedule 3 of the Northern Ireland Act 1998 devolved justice functions in Northern Ireland to the Northern Ireland Assembly and the Department of Justice (DoJ) came into existence as a new Northern Ireland Department. From this date, NIPS became an Executive Agency of DoJ.

The Annual Report and Accounts of NIPS for the year ended 31 March 2025 will be laid in the Northern Ireland Assembly.

NIPS is responsible for the operation and delivery of services within the Northern Ireland prison system with the main statutory duties set out in the Prison Act (Northern Ireland) 1953.

Statement of purpose

As part of our journey towards reform, NIPS has redefined and refocused its statement of purpose as, "making the community safer by supporting and challenging people to change".

Vision

NIPS vision is that our Service will:

- achieve better outcomes for people in our care;
- deliver safe, secure and decent custody;
- develop a highly skilled and professional workforce;
- work in partnership with stakeholders;
- develop a fit for purpose estate;
- deliver stable and controlled finances; and
- promote public confidence.

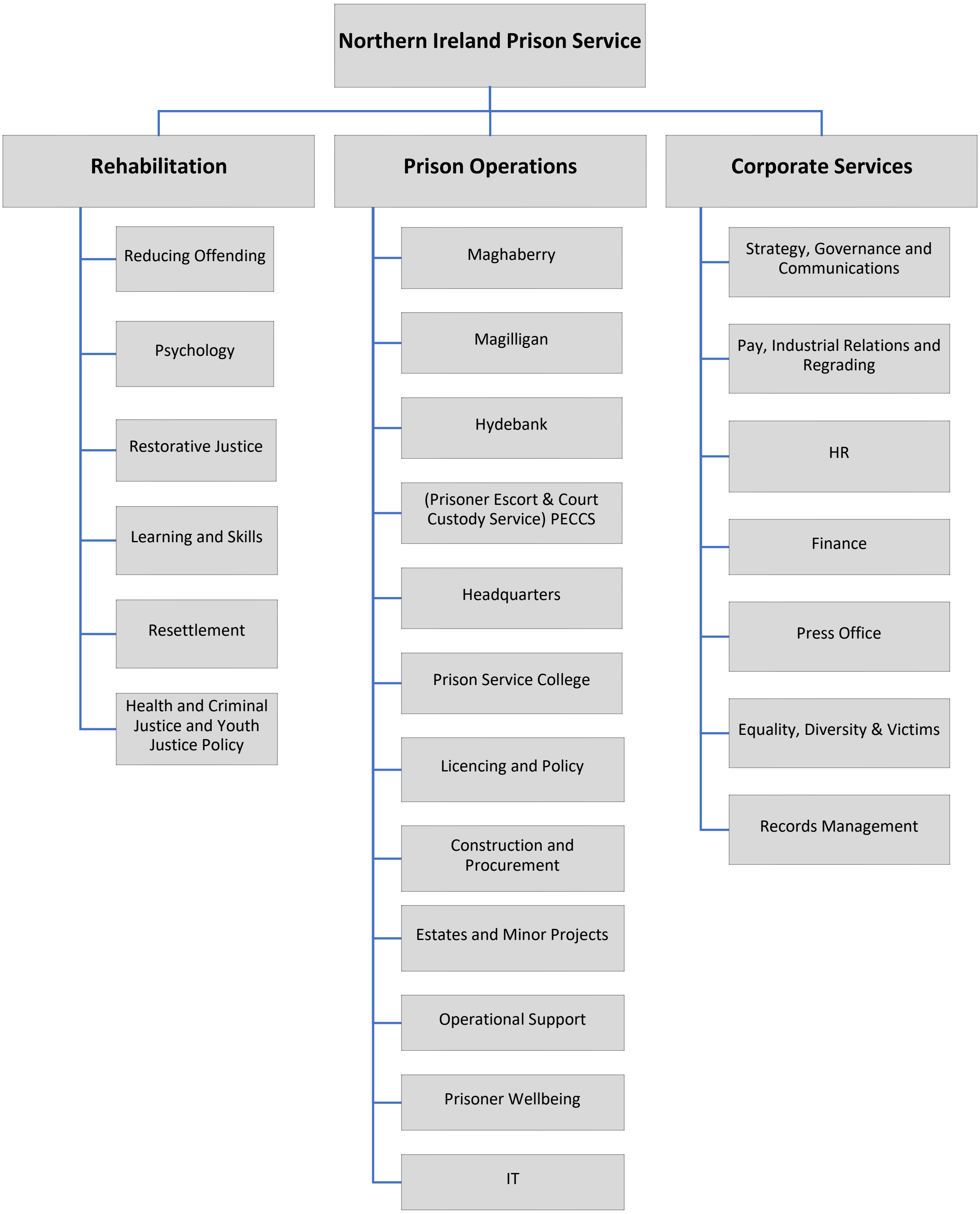
Strategic aims

NIPS has also identified three strategic aims, which support delivery against this core purpose. These are:

- safe, secure and decent custody;
- reform and modernise to create an effective and efficient Service; and
- reduce the risk of reoffending.

Organisational structure

The organisational structure of NIPS is as follows:



Key risks and issues

NIPS strategic risks are regularly reviewed and scrutinised by the Prison Service Management Board (PSMB) and by the Audit and Risk Committee. A summary of the organisation's top risks can be found below.

NIPS has managed these risks through robust governance structures and by putting mitigations in place as early as possible to minimise the risk. Each risk has been pro-actively managed with a view to minimising impact and this made a significant contribution to the ability of NIPS to meet the objectives set for this year. Identified risks include:

Safety and security

A significant operational incident by NIPS results in escape, significant security breach, serious prison incident, loss of accommodation, or release in error.

Insufficient staffing levels to deliver full rehabilitative regime and range of support functions

Failure to effectively plan to ensure operational and administrative staffing levels meet the evolving needs of the organisation and that staff are suitably skilled could lead to negative impacts on current staff and people in our care. It would also limit our ability to deliver rehabilitation and reduce the risk of re-offending and risk the deterioration of industrial relations. Furthermore, it could impact our ability to fulfil our statutory responsibility to deliver the Prisoner Release Victim Information Service to the required standard, leading to reputational damage.

Health and social care

Health services fail to meet the needs of the prison population including people in prison with mental health issues and/or risk of suicide and serious self-harm and divert prescription medication combined with the changing demographic of the prisoner community; high remand rate could lead to deaths in custody; increased admission to external hospital requiring bed watch; increased levels of self-harm; or increased levels of people in prison who should be managed in low, medium or high secure mental health environments.

Prison estate

Estate does not meet the need of the population due to the lack of capital and resource commitment to support the future prison estate could lead to the current built environment not being fit for purpose in supporting a productive workplace for staff, rehabilitation for prisoners. This could lead to criticism from oversight bodies, such as Criminal Justice Inspection Northern Ireland (CJINI); slowed roll out of digitisation due to unsuitable infrastructure; sustainability targets not being met; high energy and water consumption tariffs; Health & Safety issues and possible claims.

Key risks and issues (continued)

Insufficient funding/Budget pressures

Financial pressures arising from insufficient budget cover to deliver a full rehabilitative regime to meet the needs of the rising prison population, including increased staffing, accommodation and prisoner related costs and annual increases to pay/non-pay costs as a result of pay awards, inflation and Injury on Duty costs. If insufficient funding is allocated, NIPS will face significant challenges in maintaining a safe and secure regime, with increased crowding, and the lack of rehabilitation that can be delivered will have a detrimental impact on public safety and reoffending rates.

Ability to deliver outcomes

An increase in the prison population leads to a need to concentrate prisoners within the accommodation and staffing levels that NIPS currently has available. Crowded accommodation increases the likelihood of incidents (either collective or individual) that can impact upon the good order, discipline or security of prisons. Furthermore the combination of an increasing population balanced with staff availability impacts upon the delivery of healthy regimes within and beyond residential areas, and NIPS continued performance against the HMIP Healthy Prisons measures. This includes the provision of timely rehabilitation and effective resettlement planning to reduce reoffending.

Rising rate of custodial reoffending

The combination of an increasing population balanced with staff availability can result in a reduced ability to support the Prisoner Development Model and deliver the full rehabilitative regime. Inability to deliver timely rehabilitation and resettlement provision results in people exiting custody without appropriate release planning arrangements in place, increasing their likelihood of reoffending and contributing to the rising prison population. This delay can also result in a failure to meet statutory requirements (i.e. PCNI) which could negatively impact on a person’s right to freedom.

Equality of delivery of services to different groups in society

All prisoners have equal access to services provided within the prison. To promote good relations and eliminate discrimination, NIPS Prison Establishments each have an Equality & Diversity (E&D) Committee chaired by the Deputy Governor and supported by an E&D coordinator from the Prisoner Development Unit at Senior Officer Grade.

Meetings are held monthly, to monitor the equality of provision of services to all prisoners. Attendees include staff from Headquarters, Residence, Safer Custody, the Equality Commission, Chaplaincy, Probation, Start 360, Independent Monitoring Board, Healthcare and Criminal Justice Inspectorate. In response to the Independent Reviews of Progress published by CJINI at Magilligan and Maghaberry in February 2024, NIPS has extended the scope of consultation with prisoners by restructuring residential forums.

Equality of delivery of services to different groups in society (continued)

Both prisons have sought to work in partnership with the Independent Monitoring Board to improve prisoner representation and engagement. In addition, the format of our E&D committee has been adjusted to include prisoner perceptions of staff treatment as a standing agenda item. This has been supplemented by complaint monitoring by the Deputy Governors.

Prisoner Forums meet in advance of the main meeting to raise any issues prisoners may have. In addition to issues raised by prisoner representatives, statistical reports are reviewed and examined for any anomalies in decision making relating to the provision of services, discipline, drug testing, searches, complaints, adjudications etc., all broken down by Section 75 group. Governors are asked to investigate and explain any apparent anomalies.

There is a complaints procedure for prisoners and NIPS is also subject to oversight and scrutiny by the Prisoner Ombudsman, Criminal Justice Inspectorate, The Red Cross, Equality Commission, Human Rights Commission, Independent Monitoring Board and the United Nations Conventions around Human Rights amongst others, who investigate and raise issues around equality and the provision of services. Any issues raised by these bodies are investigated and addressed as necessary.

NIPS holds a number of events annually in all Establishments and provides training for prisoners and staff to raise awareness, foster good relations and provide a better understanding and appreciation of equality and diversity issues. These events and training in Human Rights, Inter-cultural Diversity, Equality and Diversity, Dignity at Work, JAM (Just a Minute), Modern Slavery and Human Trafficking, Unconscious Bias etc, benefit Officers supporting people to change their behaviour.

NIPS is an Equal Opportunities employer, where all eligible persons have equal opportunity for employment and advancement in the Service based on their ability, qualifications and aptitude for the work.

In addition, NIPS applies the recruitment principles as set out in the Recruitment Policy and Procedures Manual of the Northern Ireland Civil Service (NICS), appointing candidates based on merit through fair and open competition. All panel members sitting on interview panels complete Recruitment and Selection training, which includes raising awareness of unconscious bias. In addition, in order to maintain and promote a diverse and inclusive workforce the NICS, including NIPS, have in place a range of policies and procedures, as well as the use of Positive Action Advertising Statements to encourage applications from under-represented groups, and the provision of support for reasonable adjustments required as a result of Disability Discrimination Act requirements.

PERFORMANCE SUMMARY AND FORWARD LOOK

PERFORMANCE SUMMARY

Prison Population

On 1 April 2022, the total prison population in Northern Ireland was 1,552. On 1 April 2025 the population had increased by over 26% to 1,964. On this date a total of 567 prisoners were sharing cells across the prison estate, 475 prisoners at Maghaberry, 90 at Magilligan and 2 at Hydebank. Levels of remand continue to be a cause for concern with 37% of the overall population and 52% of the female population falling into this category on 1 April 2025. This is becoming increasingly unsustainable and is out of step when compared with levels of remand in the rest of the UK and Ireland - England and Wales (18.3%), Scotland (27.6%) and the Republic of Ireland (19.0%). This is a major contributory factor to the level of crowding being experienced at Maghaberry in particular. The prison population level remains highly challenging and finely balanced. Even if the population does stabilise, the Northern Ireland Prison Service and its staff are still managing many more prisoners than in recent years.

Maghaberry Prison is the largest and most complex prison in Northern Ireland. It is a high security prison for adult male prisoners, both sentenced and unsentenced, and in integrated and separated conditions. In April 2022, there were 1,000 prisoners in custody at Maghaberry, in April this year that population has risen to 1,307 – that is an increase of 31%. At Maghaberry, as a result of the rise in population, we have re-opened two out of three Square Houses (Foyle and Erne). This is accommodation which closed when Davis House, NIPS most modern accommodation, was opened. If the population trend continues, it is highly likely that the third and final ‘square house’, Lagan House, will have to reopen during 2025-26.

Magilligan Prison is an adult male prison, primarily holding sentenced prisoners as they progress towards release. In April 2022, the population of Magilligan was 423, compared to 497 this year. The population of Magilligan is being carefully managed to sustain it as close to a capacity of 500 prisoners as possible. The reason for that careful population management is to alleviate the ongoing pressure on Maghaberry Prison.

Hydebank Wood is the smallest prison establishment in Northern Ireland. Despite its size, Hydebank comes with its own complexity, housing both young male and female prisoners on a single site. Whilst the young male population there has remained relatively stable since April 2022 (43 in April 2022 and 59 in April 2025), the female population has increased from 70 to 117 (by over 65%).

As well as rising numbers, changes in societal demographics are reflected and often concentrated in prison - with an aging population with additional health social care needs, and high levels of mental health and addiction issues which require intervention. The Prison Service is responding to that challenge working across government and in partnership with statutory, voluntary and community sector organisations to provide the support needed to address these complex needs. From a resource perspective 69 new entrant prison officers commenced training on 31 March and will be deployed on the 19 June if they successfully complete the recruit

Prison Population (continued)

assessment course. Further new entrant intakes are planned for the remainder of 2025.

The continued priority for NIPS is to deliver the best prison regimes and services possible within available resources. These issues continue to receive daily attention from the NIPS senior management team and Governors, from an operational perspective and in strategic and contingency planning.

Rehabilitation, Resettlement and Reoffending

The Department of Justice’s strategic approach to reducing reoffending acknowledges that, in order to deliver a whole-system approach, there is a need for enhanced collaboration between those working in the various aspects of the criminal justice system. During 2024-25 the Reducing Reoffending Strategic Outcomes Group (RRSOG), which is made up of the key criminal justice agencies (NIPS, PBNI, YJA, PSNI), continued to work in partnership to ensure that individuals are given every possible opportunity to address their offending behaviour and are supported to live lives free from further offending. The group has continued to consider progression against the recommendations made by the NIAO in its report on ‘Reducing Adult Reoffending in Northern Ireland’ published in June 2023. This has included a review of the strategic approach to reduce reoffending.

NIPS recognises that it is only by working with those who offend that we can make communities safer and reduce future harm to victims. However, the criminal justice system on its own cannot provide the knowledge, expertise or access to the services needed to truly reduce reoffending. In delivering on a PfG commitment to bring forward a new Reducing Offending and Reoffending Strategy, we will collaborate and engage a number of key Executive Departments, including Communities, Education, Economy and Health.

There are a range of socio-economic factors which have been shown to have an impact on reoffending, including poverty and social deprivation, mental health issues, substance misuse, homelessness, as well as a lack of educational attainment and employment opportunities. These factors contribute towards the reasons why people become involved in crime in the first place, and they are often exacerbated through contact with the criminal justice system, leading to a cycle of offending which causes significant harm to victims and communities. Addressing reoffending not only means tackling these issues, but also creating positive connections back into supportive families and communities so that they become enablers of change.

The aim of the NI Prison Service is to support and challenge those in our care to change and address their offending behaviour while in custody. This is undertaken through the delivery of the Prisoner Development Model, a person centred approach that focuses on nine resettlement pathways, based on socio-economic factors outlined above. However, delivery has become increasingly challenging due to the rising prison population and the resultant pressure on both staff resources and the capacity of our support services.

Rehabilitation, Resettlement and Reoffending (continued)

The changing dynamics of the population, with large levels of remand and short-sentenced prisoners as well as an increasingly older and female demographic, also brings additional considerations with each cohort requiring significantly different support needs. In Autumn 2024, the Director General commissioned an external review of the Prisoner Development Model, to ascertain if the rehabilitation delivery framework is sustainable in a rising and changing population. Despite this, good progress continues to be made to rehabilitate those in our care. A short sentence programme is available to manage the transition of short-term prisoners into the community. A SkillSet programme supports progress towards gaining and sustaining employment through one-to-one mentoring, upskilling and training. Prisoners also have access to Work Coaches, who aim to make those in custody job ready, and NIHE Housing Advisors. The NIACRO SkillSET programme supports people living with convictions in prison and in the community to progress towards gaining and sustaining employment through one-to-one mentoring, advice, upskilling and training.

A justice wide Working Group on Remand is also overseeing the development of viable alternatives to remand for consideration by the judiciary, including the availability and use of management information. This includes development of a bail support pilot for women, and exploring the range of electronic monitoring technologies available; and how these might assist in reducing the prison population, while maintaining public safety.

Criminal Justice Inspection Northern Ireland (CJNI)

Hydebank Wood College and Women's Prison

Hydebank was subject to a full unannounced inspection in May-June 2024, with the report published in November 2024. In that inspection, Hydebank received top marks across all areas, with the maximum rating of 4 points in each – a first for a prison in Northern Ireland as set out below:

Males

- Safety – good outcomes for prisoners (rating 4);
- Respect – good outcomes for prisoners (rating 4);
- Purposeful Activity – good outcomes for prisoners (rating 4); and
- Preparation for Release – good outcomes for prisoners (rating 4).

10 examples of positive practice were identified.

Females (Ash House)

- Safety – good outcomes for prisoners (rating 4);
- Respect – good outcomes for prisoners (rating 4);
- Purposeful Activity – good outcomes for prisoners (rating 4); and
- Preparation for Release – good outcomes for prisoners (rating 4).

9 examples of positive practice were identified.

Criminal Justice Inspection Northern Ireland (CJNI) (continued)

Whilst the Inspection identified many strengths, it also highlighted six areas of key concern where action is required. This included the work to fully address adult safeguarding concerns and the prison's response to serious complaints; access to external hospital appointments and social care; better scrutiny around the use of force; delivery of improvements in how available data is used and better co-ordination of education, skills and work with other interventions.

On publication the Chief Inspectors (HM Inspectorate of Prisons and CJI) commented:

"Overall, this was a very positive inspection and it is a pleasure to report on a prison that despite an increased population with some complex needs, was operating far more successfully that most similar prisons inspected in England and Wales,"

The Governor of each establishment has lead responsibility for the development and implementation of actions in response to inspection findings. PSMB provides oversight for the work of Governors to address inspection recommendations.

Continuous development

Prisons 25 by 25

Prisons 25 by 25 is our second strategic improvement programme, which identified 25 key areas to be progressed by 2025. The programme was launched in September 2022 and ran from April 2022 until March 2025, focusing on delivering rehabilitation through:

- **Our People** - we have a professional, skilled and supported workforce serving with competence, confidence and compassion;
- **Our Services** - working with others, we rehabilitate and support those in our care through a person centred approach;
- **Our Infrastructure** - we have a fit for purpose, secure estate which facilitates innovative delivery models;
- **Our Partnerships** - in partnership with others, we rehabilitate and prepare those in our care for life in the community; and
- **Our Contribution** - we make a difference as part of the community.

Underpinning the above pillars, we set 25 key objectives or priority areas. This was an ambitious programme with a total of 237 deliverables in year, with 176 (74%) reported as achieved or on track for achievement at the end of the reporting period, with the remainder (25%) reported as slower than planned or not achieved. This represents a significant achievement given the very challenging operating context within which NIPS was working.

NIPS intend to develop a strategy to build on the success of Prisons 25 by 25, driving forward its vision of a modern Prison Service within society. The new strategy will set out the vision and ambition for the Service and enable all within society to measure the progress.

Continuous development (continued)

The 2025-26 Business Plan will inform and support the development of this strategy, acting as 1 year ‘bridge’. This will ensure the organisation is clear on its key priority deliverables and to support the development of performance objectives in the new reporting year.

Capital Estates Programme

Approval was obtained from the Department of Finance (DoF) for an Outline Business Case 1 (OBC1) for a New Female Facility in May 2021; the New Welcome and Visits Centre in Maghaberry Prison in June 2021; and Redevelopment of Magilligan Prison in May 2022.

In seeking to develop the infrastructure of the estate and based on urgent business need, NIPS is taking forward the following projects:

- A project to develop three Independent Living Units on the Hydebank Wood site, to create a step-down facility within a village-like environment for female prisoners;
- The OBC2 is currently being prepared for the New Welcome and Visits Centre at Maghaberry. This Centre will allow family ties to be maintained (a key to rehabilitation) and future proof Maghaberry prison;
- NIPS is also taking forward a new kitchen and café project at Magilligan, which forms part of the first phase of essential capital works at this site, delivering a safe, decent and secure environment to facilitate prisoner rehabilitation. In addition to the new kitchen and café project, NIPS is developing a business case for a new 60 cell wing at Halward House, to meet the demands of a rising prisoner population; and
- NIPS has also developed a masterplan at Magilligan to determine the siting of a new Welcome & Visits Centre, Independent Living Units, new Energy Centre and Administration and Emergency Control Room building.

The Minor Works rolling programme has continued through the year with 100 minor works projects completed totalling approximately £12.5 million. Examples of work which have commenced over the past year include:

- Creation of a new Silver Command Office at Maghaberry Prison;
- Provision of a 10 bed Step Down unit at Magilligan Prison;
- Installation of a Photovoltaics Farm at Hydebank Wood;
- Upgrade of mechanical and electrical infrastructure including boiler houses, plant rooms and lighting systems, all of which have resulted in significant reductions in energy usage and carbon emissions; and
- Upgrade of specialist security systems throughout the prison estate including CCTV, Alarm, Access Controls and Intercom Systems.

Procurement

The Central Procurement Unit (CPU) is responsible for all non-construction procurement within NIPS. CPU manages around 40 contracts with an average annual spend of £7m and total contract value of £37m. These consist of:

- All food contracts for kitchens for both staff and prisoners;
- Prisoner's tuckshop comprising of food-to-go, toiletries and fruit;
- Stores items for all areas; and
- Various non-goods and service requirements, for example Visitors' Centre provision and prisoner Phone System.

Additionally, the Unit provides draft tender documentation and advice on the tendering process for end-users. The Unit is a principal member of the Public Sector Food Working Group, and is also the single point of contact for the Trader Support Scheme (TSS) within NIPS - this is now the only way goods can be brought in from GB.

Digitalisation

Significant progress has been made during the last year on a range of digitalisation projects, including:

- Online Visits Booking continues to be well used by the Visitors with approximately 85,000 visits booked during 2024 compared to just over 74,000 in 2023. An enhancement to the online bookings functionality was released on 6 January 2025, which allows families to amend bookings. This further enhances the experience with approximately 200 amendments being made per week. We are planning to introduce the ability to pay money into Prisoners' accounts later in 2025, which will be another significant achievement for NIPS;
- The rollout of PRISM functionality on tablet technology has continued successfully during the 2024-25 year across the NIPS estate. This includes a Care and Supervision Unit adjudication application, which assists the Adjudication Clerk and Governor to complete this function;
- We have completed a refresh of approximately 170 Tablets to Windows 11 and are planning a new application deployment mechanism which will make sure that the suite of Tablets are up to date and fit for purpose. Letter censors were developed and delivered for PRISM users on 17 September 2024. To date, more than 10,000 items of post have been processed through this functionality moving completely away from a paper based process;
- The Prisoner Portal system continues to be rolled out across the prison estate with Quoile, Braid and Wilson Houses all being completed by the end of 2024. This will be further rolled out to other areas in Maghaberry with at least one house in Magilligan to be completed by the end of 2025; and
- Virtual Visits now account for more than twice the amount of face to face visits, with volumes at 20,293 and 9,307 respectively for the 6 months ending in December 2024.

Health and Safety

NIPS remains committed to maintaining the highest standards of health and safety across all its establishments, ensuring a safe and secure environment for staff, prisoners, and visitors. A review of NIPS Health & Safety (H&S) commenced this year, with engagement of key stakeholders underway.

The review aims to assess and enhance existing H&S practices across the service ensuring compliance, operational effectiveness, and the wellbeing of staff and people in our care.

Collaborative efforts with external agencies, including the Health and Safety Executive and the PSNI, have reinforced our commitment to compliance and best practice.

NIPS continues to prioritise staff welfare, invest in training, and refine safety strategies to ensure a resilient and secure working environment for all.

FORWARD LOOK

Moving into 2025-26, our focus will remain on continuous improvement against the backdrop of ongoing prison population pressures, the limitations of our prison estate and significant resource pressures.

Our focus in the year ahead will include leading the development of a cross-governmental strategy to reduce offending and reoffending as set out in the Programme for Government, alongside the delivery of actions to improve outcomes across three strategic priority areas:

- **People working in the Northern Ireland Prison Service**: To have an empowered workforce that contributes to safer communities;
- **People living in Prison**: The prison population is effectively managed within available resources and a stable environment maintained to support rehabilitation; and
- **Supporting people to change**: Supporting families and providing those in our care with opportunities that will contribute to successful integration back into society and desist from reoffending.

Our business plan for 2025-26 will be the vehicle for delivery against our strategic objectives. The business plan is based upon three thematic areas of focus outlined above and represents an ambitious delivery plan. Our ability to realise these objectives will be predicated upon the availability of the required funding and resources.

PERFORMANCE ANALYSIS

REVIEW OF PERFORMANCE 2024-25

Performance against Key Performance Targets

The Department of Justice Business Plan for 2024-25 sets out Key Performance Targets (KPTs) to measure NIPS performance. These were developed in line with the NIPS Continuous Improvement Programme, Prisons 25 by 25.

Despite the challenges faced by the organisation in respect of an increasing prison population, progress has been made in relation to the key performance areas listed in the table below.

Strategic Theme 1 - Address Harm and Vulnerability *We will work with partners to provide early stage diversionary approaches to address issues that contribute to offending behaviours. We will provide practical support to victims, and develop policies and legislation to protect those most vulnerable in our society.*		
Action	**What we will deliver during 2024-25**	**Position at 31 March 2025**
To work with partners to support improved health (including mental health) within the justice system to maintain the safety and wellbeing of people in our care.	Improved health outcomes for those in contact with the criminal justice system.	**Not Achieved** Work on the development of the refreshed action plan has not progressed due to a lack of resources within the Department of Health (DoH). A report detailing progress made in the area of health in justice as a result of the three year Improving Health within Criminal Justice Action Plan is in the final stages of completion and is expected to be agreed by Health and Justice Ministers by mid-May 2025.

Strategic Theme 2 - Challenge Offending Behaviours and Support Rehabilitation

We will work with people who offend to challenge their behaviour and support them to become active and responsible citizens. Working with our partners we will promote rehabilitation; and when a custodial sentence is imposed our focus will be on resettlement leading to integration back into society.

Action	What we will deliver during 2024-25	Position at 31 March 2025
To improve the outcomes for those in contact with the justice system by enhancing opportunities to address the needs of individuals, helping them address the root cause of their offending behaviour and reduce the rate of offending.	Subject to Ministerial approval, DoJ will engage Executive Ministers with a view to securing agreement and for the development of a cross-departmental strategy to reduce offending and reoffending, to include outcome-based measures aligned to PfG indicators.	**Achieved** Advice provided to the Minister through input to the new draft Programme for Government highlighted the requirement of a collective approach to tackle societal issues that contribute to offending behaviour and prevent people from entering the criminal justice system. The agreed Initial engagement with the Executive on the draft Programme for Government commenced in September 2024. PfG includes an Executive Commitment that, “by the end of this mandate, we will have an Executive agreed approach to reducing offending and reoffending, contributing to delivering improved outcomes for those who engage with the justice system”. Meetings ongoing with senior officials across key Departments (DE, DfC, DfE DoH and TEO), to explore methodology and content, with the last meeting scheduled in July 2025 prior to formal Executive engagement.
	Continued implementation of the Adult Restorative Justice Strategy	**Achieved** Work to deliver on year three of the Action Plan has been ongoing throughout the year. Community Resolution Notice pilot launched on 8 April as the first step in what is intended to be a suite of restorative disposals for adults. Task & Finish Group also established to develop and pilot a restorative diversionary disposal as an alternative to court.

Strategic Theme 2 - Challenge Offending Behaviours and Support Rehabilitation We will work with people who offend to challenge their behaviour and support them to become active and responsible citizens. Working with our partners we will promote rehabilitation; and when a custodial sentence is imposed our focus will be on resettlement leading to integration back into society.		
Action	**What we will deliver during 2024-25**	**Position at 31 March 2025**
		Annual Progress Report under the Adult Restorative Justice Strategy was published in September 24. Practice Standards and Accreditation Framework developed in consultation with key stakeholders and approved for formal launch in 2025. Draft legislation prepared to transfer restorative justice functions to the Department of Justice. Written and oral briefings provided to the Justice Committee.
To put in place arrangements for the care of children in a safe, secure, therapeutic, child-centred environment supported by a youth justice policy and legislative framework with a coherent approach to early intervention.	Embed a strategic approach to Earlier Stage Diversion	**Achieved** The criteria for Community Resolution Notices (CRNs) was extended by the PSNI in October 2024. The number of CRNs and referrals to the YJA CRN Referral Scheme decreased considerably in Q4. This may be due to other operational changes within the PSNI. YJA continues to engage with PSNI to monitor trends. Significant work has been undertaken by PPS, PSNI and YJA to prepare for the implementation of the Children's Early Diversion Scheme Pilot in the Armagh/ Banbridge/ Craigavon area. This new pilot is commenced in January 2025.
	Reduce the incidence and impact of re-offending by children	**Achieved** YJA continues to work with the Safeguarding Board NI (SBNI) and HSC Trusts through its representation on the SBNI Trauma Informed Practice (TIP) Committee to develop and share TIP. As part of its commitment to becoming a

Strategic Theme 2 - Challenge Offending Behaviours and Support Rehabilitation We will work with people who offend to challenge their behaviour and support them to become active and responsible citizens. Working with our partners we will promote rehabilitation; and when a custodial sentence is imposed our focus will be on resettlement leading to integration back into society.		
Action	**What we will deliver during 2024-25**	**Position at 31 March 2025**
		trauma informed organisation the Agency has also developed a TIP Implementation Plan to take forward findings from a recent self- assessment process, which was supported by Trauma Informed Oregon at Portland State University, to inform all aspects of YJA work and improve outcomes. Work on the TIP Implementation Plan 2024-2027 is ongoing. A joint funding model was established between YJA and the Department of Health to support the delivery of a shared mental health and therapeutic care service (Acorn) across the Lakewood and Woodlands JJC sites. Work is ongoing to ensure this model delivers the quality and breadth of services required. The Child and Adolescent Mental Health Service (CAMHS) YJA co-located mental health pilot has now been established across all 5 area teams. YJA, in partnership with Strategic Planning and Performance Group (SPPG) and the 5 HSC Trusts are beginning preparations for an evaluation of this service during the next business year. There is still no sustainable funding stream in place to fund this service in the medium-term, and it is hoped that this evaluation will support efforts to secure this.

Strategic Theme 2 - Challenge Offending Behaviours and Support Rehabilitation We will work with people who offend to challenge their behaviour and support them to become active and responsible citizens. Working with our partners we will promote rehabilitation; and when a custodial sentence is imposed our focus will be on resettlement leading to integration back into society.		
Action	**What we will deliver during 2024-25**	**Position at 31 March 2025**
	Implementation of the Strategic Framework for Youth Justice Action Plan	**Achieved** The Department continues to lead on the implementation of the Strategic Framework for Youth Justice with meetings of the Implementation Group held on 29 August, 28 January & 20 March. A draft consultation document for a new single community order has been developed in consultation with key partners, alongside a child-friendly version of the document, ahead of a public launch in April 2025. The 2024-25 workplan for the Task & Finish Group (TFG) for a child-friendly youth court has been delivered, with two key resources for children and families developed – 3D online youth court 'tours' and a video explaining what to expect when attending court.
	Reduced numbers of children in custody through legislative changes to bail, remand and custody provisions as they apply to children.	**Achieved** Final provisions in relation to bail, remand and custody were agreed by the Executive and the Justice Bill was introduced to the Assembly on 24 September. The Bill is now progressing through the Committee Stage, which is expected to last until early 2026.

Strategic Theme 3 - Deliver an Effective Justice System We will lead work to make our justice system faster and more effective, and more importantly, to serve the needs of those who engage with it. We will ensure appropriate access to justice for our citizens. We will also deliver a system, which supports other court users in the early and proportionate resolution of civil and family proceedings. We will support and empower people working within the justice system to deliver effectively.		
Action	**What we will deliver during 2024-25**	**Position at 31 March 2025**
To improve the effectiveness of operational delivery by NIPS/YJA and outcomes it achieves through the ongoing implementation of recommendations made by Criminal Justice Inspection Northern Ireland.	Implementation of recommendations made by Criminal Justice Inspection Northern Ireland.	**Achieved** Criminal Justice Inspection Northern Ireland published their report on YJA's community interventions on 5 September 2024. An Action Plan has been developed to address the report's 5 strategic and 5 operational recommendations and work has commenced on implementation. An update on progress was provided to the YJA Board at their meeting on 9 October 2024. It was noted two of the strategic recommendations had been completed and actions to implement the remaining report recommendations were ongoing.
Enhance the delivery of services to support NIPS staff and people in our care and further support operational prison staff to meet the challenges of working in a custodial environment.	NIPS Continuous Improvement Programme through the five pillars of Our People, Our Services, Our Infrastructure, Our partnerships and Our Contribution	**Partially Achieved** Year 3 of Prisons 25 by 25 contained a total of 237 milestones, of which 173 (73%) were complete and 64 (27%) were in progress at 31 March 2025.
	Consult with staff and partners to progress planning for NIPS next strategic period.	**Not Achieved** Given current resource pressures and priorities, it has not been possible to develop a strategy for the period 2025-30. Work is in progress to develop a one-year business plan for the 2025-26 year. A new corporate strategy and business plan will be developed during 2025-26, informed by an agreed Programme for Government and the Department of Justice Corporate Strategy, when available.

Strategic Theme 3 - Deliver an Effective Justice System We will lead work to make our justice system faster and more effective, and more importantly, to serve the needs of those who engage with it. We will ensure appropriate access to justice for our citizens. We will also deliver a system, which supports other court users in the early and proportionate resolution of civil and family proceedings. We will support and empower people working within the justice system to deliver effectively.		
Action	**What we will deliver during 2024-25**	**Position at 31 March 2025**
	An optimum approach for the delivery of rehabilitation and resettlement services.	**Partially Achieved** Prisoner Development Model Review I is behind schedule due to a delay in the 2024-25 budget allocation. Specifications are now being finalised for procurement approval, with the aim of securing providers in October. Revised timescales have been set for the completion of the review, including recommendations for implementation, by March 2025.

Financial Review

The net expenditure of the Agency for 2024-25 is compared to the previous two financial years in the table below.

	2024-25	2023-24	2022-23
	£000	£000	£000
Total operating income	**(5,105)**	**(5,009)**	**(4,080)**
Staff costs	95,860	88,472	76,926
Purchase of goods and services	38,718	37,719	34,574
Depreciation and impairment charges	15,666	15,445	12,630
Provision expense	4,452	4,081	3,376
Grants	2,226	2,038	1,897
Total operating expenditure	**156,922**	**147,755**	**129,403**
Net operating expenditure	**151,817**	**142,746**	**125,323**
Finance expense	3,249	2,797	1,625
Net expenditure for the year	**155,066**	**145,543**	**126,948**
Notional costs	**3,275**	**3,111**	**3,032**
Net expenditure for the year including notionals	**158,341**	**148,654**	**129,980**

Non-current assets

Non-Current Asset expenditure movements are detailed in Notes 8 and 9 to the financial statements. Capital expenditure in 2024-25 totalled £14.0m (2023-24: £16.0m). Further details are contained in the Performance Summary.

Financial position

The total net assets of the Agency at 31 March 2025 were £255.3m (2023-24: £248.2m).

Cash flow

As detailed in the Statement of Cash Flows, the Agency's Net Assembly draw down in 2024-25 was £157.6m (2023-24: £140.5m) and the net increase in Cash and cash equivalents in the year was £0.94m (2023-24: increase £0.22m).

Financial risk

The Agency relies on the Department of Justice for funding and the risk to this funding is low. The Agency accounts for all transactions in sterling and has no borrowings. As such, the Agency is not exposed to any exchange rate or liquidity risk.

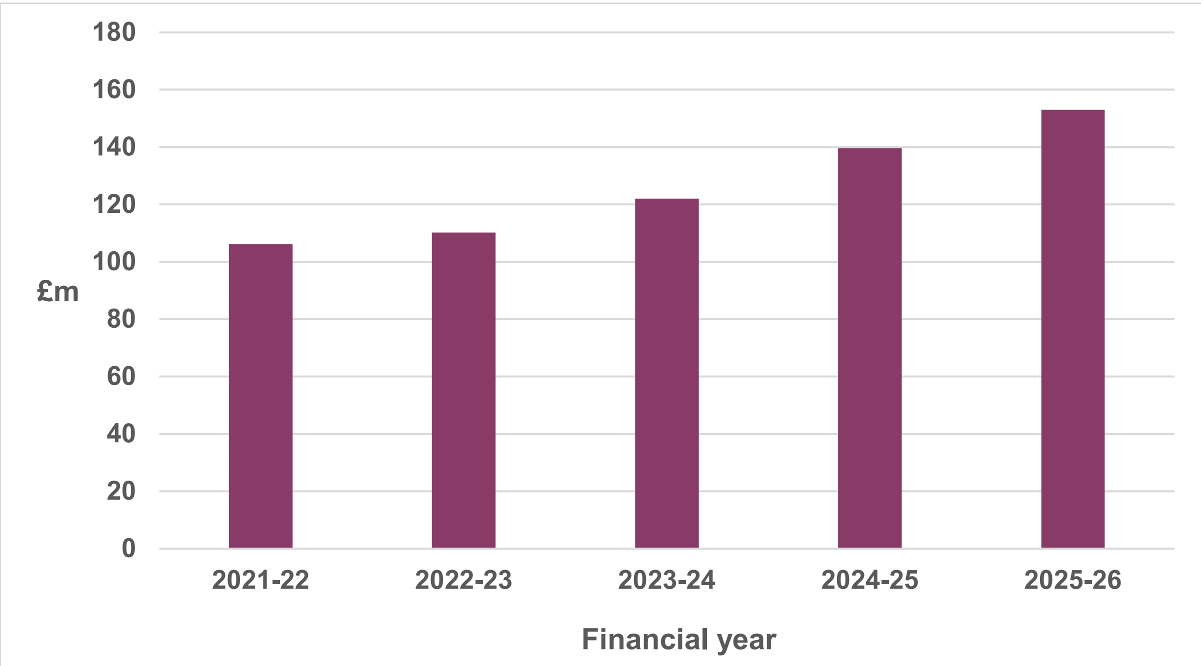
Cost per Prisoner Place

The Cost per Prisoner Place (CPPP), which excludes exceptional payments and the cost of the Prisoner Escorting and Court Custody Services, was £57,180 in 2024-25 (2023-24: £54,024).

Long-term expenditure trends

The chart below shows the movement in the Agency's opening baseline for non-ringfenced Resource Departmental Expenditure Limit (DEL) over the period 2021-22 to 2025-26. This budget pays for programme delivery and running costs excluding non-cash charges for depreciation and impairment of assets.

Chart 1: NIPS Non-Ringfenced Resource DEL opening baselines 2021-22 to 2025-26



Long-term expenditure trends (continued)

2024-25 financial year

On 25 April 2024, in a Written Ministerial Statement, the Finance Minister set out the 2024-25 budgets for Northern Ireland departments which were agreed by the Executive. The Written Ministerial Statement provided a non-ringfenced Resource DEL budget for the Department of £1,262.5m*.

The Department of Justice’s non-ringfenced Resource DEL Budget was as follows:

- an opening baseline budget of £1,123.4m;
- an additional allocation of £95m;
- additional security funding for the PSNI of £31.2m; and
- funding for the Executive Programme on Paramilitarism and Organised Crime (EPPOC) of £12.8m (this is funding to be distributed across various departments and is not solely for the use of DoJ).

*****_Totals may not add due to roundings_

The Opening Budget for 2024-25 provided an allocation of £139.6m for the NI Prison Service, which reflected a 14.3% increase against the 2023-24 adjusted budget position of £122.1m.

2025-26 financial year

On 3 April 2025, in a Written Ministerial Statement, the Finance Minister set out the 2025-26 budgets for Northern Ireland departments which have been agreed by the Executive. The Written Ministerial Statement provided a non-ringfenced Resource DEL budget for the Department of £1,415.3m*.

The Department of Justice’s non-ringfenced Resource DEL Budget was as follows:

- an opening baseline budget of £1,218.4m;
- an additional allocation of £137.7m, including £1.9m for NI Consolidated Fund judicial salaries;
- transformation funding of £5.4m;
- additional security funding for the PSNI of £37.8m; and
- funding for the Executive Programme on Paramilitarism and Organised Crime (EPPOC) of £16m (this is funding to be distributed across various departments and is not solely for the use of DoJ).

*****_Totals may not add due to roundings_

The Opening Budget for 2025-26 provides an allocation of £153.0m for the NI Prison Service, which reflects a 9.6% increase against the 2024-25 opening budget position of £139.6m.

Auditors

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

The notional audit fee for the work performed by the staff of the C&AG during the reporting period, and which relates solely to the audit of these financial statements, was £48,000 (2023-24: £45,000).

The C&AG may also undertake other statutory activities that are not related to the audit of the Service's financial statements such as Value for Money (VFM) reports. In June 2023 the C&AG published a VFM report on Reducing Adult Reoffending, which was subject to a Public Accounts Committee Inquiry during April 2025. A key commitment incorporated within the Northern Ireland Executive's Programme for Government is the development of a Cross Governmental Strategy to Reduce Offending and Reoffending. The C&AG published a VFM report on Injury on duty schemes for officers in PSNI and NIPS on 10 March 2020. The Department of Justice has established a Strategic Group to take forward this work, which includes representatives from NIPS, PSNI and Civil Service Pensions (DoF). Both sub-groups have made legislative changes as part of a phased approach. DoF consulted NIPS on proposed changes to the NICS Injury Benefit Scheme, which includes provision for NIPS staff. This closed in September 2021, and DoF is considering the next steps.

Payment of suppliers

The Agency's policy is to pay bills from all suppliers within 10 working days following receipt of a properly rendered invoice or in accordance with contractual conditions, whichever is the earlier. The Agency's compliance with Prompt Payment is provided in the table below.

	2024-25	**2023-24**
Total invoices paid	17,192	16,916
Total invoices paid within 10 days	16,260	15,620
% of invoices paid within 10 days	**94.6**	**92.3%**
Total invoices paid within 30 days	16,858	16,456
% of invoices paid within 30 days	**98.1**	**97.2%**
Statutory penalties paid for late payments (£k)	**-**	**-**

Human rights

NIPS staff have a statutory duty to respect, protect and fulfil people's human rights when delivering services.

The Northern Ireland Human Rights Commission (NIHRC) interactive guide to Human Rights is available to NIPS staff to ensure they have knowledge of human rights law and standards and the core principles through which human rights are realised.

52 recruits received Human Rights awareness sessions between March 2024 and February 2025. The sessions were delivered in partnership with the Ulster University as part of the accredited Induction Programme for new entrant operational staff. The training is designed to increase human rights knowledge and strengthen the culture of human rights awareness and good practice within NIPS.

Anti-corruption and anti-bribery

NIPS is committed to the values of probity and accountability which foster a positive organisational culture. Prison staff, whether on or off duty, should always act in a way which supports and upholds the reputation of the profession.

Clear expectations are set out within the NIPS professional code of ethics and values, and any alleged wrongdoing will be rigorously investigated by highly experienced and trained investigators from the Professional Standards Unit. NIPS has a zero tolerance approach towards acts of bribery and corruption by staff, associated persons and organisations.

Serious allegations of wrongdoing e.g. bribery, corruption, theft etc. may also be referred to the PSNI for criminal investigation. NIPS will take proportionate steps to recover any assets lost as a result of fraud, corruption or theft.

Climate change / environmental management and sustainability

Throughout the year NIPS has continued to advance a broad range of initiatives to support its environmental and climate change commitments.

The organisation’s long established focus on energy efficiency and reducing Green House Emissions (GHG) means we have already surpassed the 2030 target of achieving a 48% reduction target in net GHG emissions (1990 baseline) set within the Climate Change Act (NI) 2022.

The progression of Environmental and Climate change initiatives is co-ordinated by the Prison Service’s small in-house estates team and monitored through a Sustainability Steering Group. This early focus on sustainability has allowed NIPS to be seen as one of the leading lights within NI central government on reducing their carbon emissions and managing their broader response to sustainability. This is the reason that the Prison Service’s Director General - Beverley Wall – is now the Department’s Sustainability Champion.

Climate change / environmental management and sustainability (continued)

Energy management

Mechanisms are in place to monitor and manage a range of sustainability targets including carbon emissions and energy performance. During 2024-25 further work was progressed to strengthen the resilience and improve energy performance through a number of plantroom / boiler houses and LED lighting upgrades across a number of sites. Building Energy Management systems (BEMS) are installed at all the sites to monitor and control room temperatures across the prison estate. A recent upgrade programme has seen BEMS refreshed in 3 of the 4 prison sites in recent years. A scheme to design and install a new BEMS across the largest site at Maghaberry is currently being progressed.

During the last 12 months NIPS has refurbished a further 3 boiler houses and an additional plant room. These have been part of our annual upgrade programme to strengthen the resilience of heating and hot water infrastructure and reduce energy consumption across the estate. Over the last nine years, 44 boiler houses and plant rooms have now been refurbished.

Renewable energy schemes

A solar farm was installed at Hydebank Secure College during 2024 and plans are being developed to introduce a Solar Farm at Maghaberry in the coming years. The schemes are designed to reduce the reliance on electricity from the power grid and support the ongoing reduction in GHG emissions.

Recycling and waste management

Recycling activities occur across each of our sites, creating inmate activity and helping reduce levels of general waste. All Prisons have compactors, balers and other recycling equipment (recycling paper, plastics, cardboard, metal and wood). 30 prisoners are involved in the recycling activities at our largest prison.

Recycled materials are segregated and collected separately helping reduce levels of general waste. Food Waste is segregated within Prisons and collected separately and put through an anaerobic digester whose gases are used to provide heat/electricity. General waste is sent to a Material Recovery Facility where any remaining recyclables are recovered. These measures have helped to achieve an in-year recycling rate above 44%.

Transport

NIPS operates a range of Electric Vehicles (EV’s) within its fleet. As part of Northern Ireland’s continuing Climate Change journey, NIPS has also been exploring options to reduce the carbon emissions of their commercial vehicles.

Climate change / environmental management and sustainability (continued)

After consulting the Department for Infrastructure and industry experts an examination was made of the options that exist, this included the direction of travel for Electric Vehicles (EV), new technologies under development as well as new sources of eco fuels entering the market.

As a result, a decision was made to trial the use of Hydro-treated Vegetable Oil (HVO). HVO offers a 98.5%[1] reduction in vehicle CO^2 emissions. Based on the extended use of the product during a 6 month trial using three vehicle types and real-world analysis the view of the Fleet manager was that:

> *"There was no material impact on either the driven performance or the mechanical integrity of vehicles as a result of their use of HVO fuel. I would be happy to use HVO fuels across the PECCS fleet and all other vehicles that aren't suitable for transitioning to EV."*

Following the successful completion of the trial a decision has been taken to continue to operate a number of prison escort vehicles using this eco fuel (with a commitment to transition the whole PECCS fleet if resources allow).

Environment/ biodiversity

Biodiversity Action Plans have been produced for each prison site. NIPS continues to work with the NI Environment Agency, RSPB, Woodland Trust and conservation specialists to protect flora and fauna across the prison estate.

At Magilligan, a tree nursery project run by prisoners has created a native tree nursery which nurtures 40,000 native tree saplings (like Scots Pine, Oak, Chestnut and Birch) which are in short supply. The 'Justice for Woodlands' project is a joint venture between Magilligan Prison, the local Bineavenagh Landscape Partnership, the Woodland Trust and Causeway Coast and Glens Trust. Last year 7,000 of these trees were transferred from the Prison and planted in the local area, which included a scheme to prevent erosion on the banks of a local river.

The Magilligan project is the first large scale tree nursery of its kind in Northern Ireland and one of only two in Ireland which does not rely on imported stock, reducing the likelihood of disease. As Northern Ireland is one of the least wooded countries in Europe, having a native tree nursery, produced from local seeds for local projects is an important step forward.

Energy management performance

The Northern Ireland Executive challenged Northern Ireland Central Government Departments, through publication in 2019 of the Energy Management Strategy and Action Plan to 2030, to implement measures to reduce their net energy consumption by 30% by 2030 from a 2016-17 baseline.

[1] Source: Government Conversion factors for company reporting of GHG emissions (updated July 2024) – Department for Economy, Security and Net Zero and the Department for Business, Energy & Industrial Strategy

Climate change / environmental management and sustainability (continued)

By 31 March 2025 the Northern Ireland Prison Service had achieved the following changes in their energy and environmental performance against this plan:

Climate, Energy and Environmental Metrics	**Reductions achieved to date as we seek to lower consumption by 30% by 2030 (from a 2016 baseline).** Based on site footprint m^2
Fossil fuels	(23% reduction)
Electricity	(12% reduction)
Water	11% increase
CO^2 emissions	(46% reduction)
Note: During the 2024-25 reporting period the number of individuals within Prison was 28.6% higher than in the baseline year 2016-17.	

Climate Change Act (NI) 2022 – Carbon reduction performance

The publication of the Climate Change Act (NI) 2022 places a legal duty to reduce Green House Gas (GHG) emissions to net zero by 2050. Northern Ireland has been set a target of achieving a 48% reduction in GHG emissions (1990 baseline) by 2030.

By 31 March 2025 NIPS had achieved the following changes in their GHG emissions against this target:

Climate Change Act (NI) 2022	
GHG Emissions 2030 Target	**GHG Emissions Progress made by Northern Ireland Prison Service**
Lower GHG emissions by 48%	By 2025 the NI Prison Service had lowered their GHG emissions by 63%
Note: DAERA viewed and confirmed in April 2025 that they are content with the basis of the GHG modelling exercise used for the calculation of NIPS's progress against the 1990 baseline (including conversion factors and stated assumptions).	

<u>PERFORMANCE REPORT</u>

Beverley Wall

Beverley Wall
Accounting Officer
1 July 2025

ACCOUNTABILITY REPORT

The Accountability section of the Annual Report outlines how the Agency meets its key accountability requirements to the Assembly and ensures best practice with corporate governance norms and codes. The three sub-sections within the Accountability Report are outlined below.

i - Corporate Governance Report

The purpose of this section is to explain the composition and organisation of the Agency's governance structures and how they support the achievement of its objectives.

The Corporate Governance Report includes:

- Directors' Report;
- Non-Executive Members' Report;
- Statement of Accounting Officer's responsibilities; and
- Governance Statement.

ii - Remuneration and Staff Report

This section sets out the Agency's remuneration policy for directors, reports on how that policy has been implemented and sets out the amounts awarded to directors as salary and pension entitlements.

In addition the report provides information relating to remuneration and staff that the Assembly and other users see as key to accountability.

iii - Assembly Accountability and Audit Report

This section brings together the key Assembly accountability documents within the Annual Report and Accounts. It comprises:

- Other Assembly accountability disclosures; and
- Certificate and Report of the Comptroller and Auditor General to the Assembly.

CORPORATE GOVERNANCE REPORT

DIRECTORS' REPORT

Management Board

NIPS is headed by the Director General who is supported by a Management Board consisting of three Executive Directors and two Non-Executive Members.

The Service's Management Board is responsible for the strategic and business management of the Agency's operations.

At 31 March 2025, the Management Board was as follows:

- Beverley Wall - Director General;
- David Kennedy - Director of Prisons;
- Lorraine Montgomery - Acting Director of Corporate Services;
- Maria Watson - Acting Director of Rehabilitation and Reducing Offending;
- Sarah Wakfer - Non-Executive Member; and
- Edgar Jardine - Non-Executive Member.

Appointments to the Management Board (except for the Non-Executive Members) are made in accordance with the Civil Service Commission's general regulations. Details of the salary and benefits of the Management Board Members are disclosed in the Remuneration Report.

Register of interests

Declaring conflicts of interest is a standing agenda item at all meetings of the NIPS Management Board and the NIPS Audit and Risk Committee; no interests declared were deemed to conflict with Agency business. In addition, an annual exercise is commissioned from all senior management, including Non-Executive Board Members, reminding them of their responsibilities in regard to declaring interests and requesting them to update their declaration of interests. A register of interests for NIPS Board members is available on the Department's website at NIPS Board Register of Interests. No significant interests are currently held by Board members that may conflict with their management responsibilities.

Reportable loss of data

There were no reportable losses of data during 2024-25.

NIPS sent a precautionary pre-notification to the Information Commissioner's Office (ICO) about a potential data breach in January 2025.

The unauthorised accesses in Dundonald House in March 2025 were reported to the ICO though no data was compromised during the incidents.

Application of Business Appointment Rules (BARs)

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

During 2024-25 there were 109 staff exits from the Civil Service within NIPS, with no applications from Senior Civil Servants.

Complaints procedure

When appropriate, the Service follows Departmental procedures in respect of complaints made by members of the general public. During 2024-25 seventeen complaints were raised through Departmental procedures.

Complaints made by prisoners and their families are initially dealt with internally but, if required, may be escalated to the Prisoner Ombudsman. There were no complaints which did not fall into one of these categories.

Raising a Concern

The Department's Raising a Concern policy, which includes the Northern Ireland Prison Service (NIPS), is designed to reassure staff that it is safe and acceptable to speak up should they have a concern about malpractice.

The procedures provide arrangements in order that concerns can be addressed at an early stage and in a fair and proper way.

If an individual has a concern about malpractice, they may raise it with their line manager. Any civil servant who believes that they are being required to act in a way which conflicts with the core values and standards set out in the Civil Service Code of Ethics, or who has become aware of the actions of others which they believe conflict with the Code, may raise the matter with the Department's Nominated Officer: David Lennox, Deputy Director, Corporate Engagement and Communications Division.

Matters may also be raised with the appropriate regulator or assurance body - such as the Northern Ireland Audit Office, Criminal Justice Inspection Northern Ireland or the Health and Safety Executive of Northern Ireland.

NIPS maintain a Raising a Concern database and has introduced oversight assurance at the Audit and Risk Committee.

NON-EXECUTIVE MEMBERS' REPORT

During 2024-25 the Northern Ireland Prison Service has been focussed on efficient and effective delivery of its services, on delivery of its continuous improvement plan Prisons 25 by 25, and on good governance, all in the context of increasing budgetary pressures and a consistent and unprecedented increase in prison population. The focus of NIPS is on its mission of making Northern Ireland a safer place by reducing reoffending.

Appointed through the Department of Justice, NIPS has two Non-Executive Members (NEMs). The NEMs for the reporting period were:

- Sarah Wakfer;
- Claire Keatinge (to 31 October 2024); and
- Edgar Jardine (from 1 August 2024).

The NEMs are members of the Prison Service Management Board (PSMB) and the NIPS Audit and Risk Committee (ARC). NIPS also has an Independent Committee Member, appointed by the Permanent Secretary, who provides additional financial expertise, and is a member of the ARC only. The Independent Committee Member was:

- Helen Trimble

Prison Service Management Board (PSMB)

Throughout the year, NEMs have provided independent and external support and challenge to the work of the PSMB. The NEMs have contributed positively to the good governance of NIPS by offering independent, constructive support and challenge across all areas of PSMB business. NEMs have supported the scrutiny of all aspects of NIPS strategy, policy and service delivery for effectiveness and efficiency.

NEM's welcomed the progress of the final year of Prisons 25 by 25, the challenging next step in NIPS improvement journey, which sought to deliver 25 improved outcomes across 5 key Themes by 2025. Updates received at PSMB on the Prisons 25 by 25 Action Plan showed that significant progress was made despite the very substantial challenges facing the Service throughout the year.

NEMs received comprehensive strategic and operational updates throughout the year and commended the work of operational staff in delivering positive outcomes despite on-going budget pressures and the consistent increase in prison population. In particular, NEMs recognised the considerable work to support people in our care with significant and complex needs through SPARs (Supporting People At Risk) procedures. NEMs recognise that the journey through the justice system is highly complex and dependent on positive and cohesive working with partners including with our Probation, Housing and Healthcare partners. All of the Justice "family" of partners are subject to their own challenges and NEMs welcomed the innovative and agile way that NIPS are working with partners to deliver better outcomes for the people in our care whilst they are in prison and as they prepare to return to our community.

NON-EXECUTIVE MEMBERS' REPORT (CONTINUED)

NIPS services and activities are scrutinised by a number of external sources. These external agencies' inspection and scrutiny add significantly to our ability to understand the operation of prisons and the experience of staff and of people in our care. NEMs welcomed the renewed focus at PSMB on ensuring that recommendations from previous external inspections are implemented and commended the significant improvements made and examples of best practice that were highlighted by external inspections this year.

Audit and Risk Committee (ARC)

During this reporting period, the ARC was chaired by Sarah Wakfer. The ARC has carried out its work in line with its terms of reference, including having a focus on:

- The Internal Audit strategy and schedule for the forthcoming year;
- Reviewing the overall assurance framework and considering assurances provided in year;
- Considering findings from the Northern Ireland Audit Office's 'Report to Those Charged with Governance';
- The External Audit strategy and schedule for the coming year;
- Review of the Annual Report and Accounts prior to submission for audit;
- A review of previous year's recommendations made by Internal and External Audit, and progress on actions taken;
- A review of recommendations from external Inspections, and progress on implementation; and
- Scrutiny of risk management processes.

In addition, ARC has an annual work programme and receives reports from across the wider operations of NIPS. Members welcomed the assurances provided by business areas.

ARC has provided clear and effective scrutiny, challenge and support to NIPS throughout 2024-25.

The NEMs and Independent Committee member of ARC would like to thank the Director General of NIPS, NIPS staff, Internal Audit and the Northern Ireland Audit Office for their cooperative and efficient support for their roles and work throughout the year.

STATEMENT OF ACCOUNTING OFFICER'S RESPONSIBILITIES

Under section 11(2) of the Government Resources and Accounts Act (Northern Ireland) 2001, the Department of Finance (DoF) has directed the NIPS to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The Accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the NIPS and of its income and expenditure, Statement of Financial Position and cash flows for the financial year.

In preparing the Accounts, the Accounting Officer is required to comply with the requirements of the Government Financial Reporting Manual and in particular to:

- observe the Accounts Direction issued by DoF, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;

- make judgements and estimates on a reasonable basis;

- state whether applicable accounting standards, as set out in the Government Financial Reporting Manual, have been followed, and disclose and explain any material departures in the financial statements;

- prepare the financial statements 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 Accounting Officer for the Department of Justice has designated the Director General as Accounting Officer of NIPS.

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 NIPS' assets, are set out in the Accounting Officer's Memorandum, issued by DoF and published in Managing Public Money Northern Ireland.

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

GOVERNANCE STATEMENT

1. Scope of responsibility

As the designated Accounting Officer for the Agency, I have responsibility for maintaining a sound system of internal control that supports the achievement of the Agency's policies, aims and objectives, whilst safeguarding public funds and assets for which I am personally responsible, in accordance with the responsibilities assigned to me in Managing Public Money Northern Ireland (MPMNI).

I am accountable for the effective, efficient and economic use of resources provided to the Agency; for the regularity and propriety of its expenditure; and for ensuring that the requirements of MPMNI are met.

In addition to my role as Accounting Officer and Director General for NIPS, I hold the role of Director, Reducing Offending. The Reducing Offending Directorate is one of four Directorates within the Department of Justice, and has a sponsorship role for both NIPS and the Youth Justice Agency.

I am a member of the Department's Board, held to account by the Departmental Accounting Officer (Chair of the Departmental Board), which takes the form of regular reports to the Department, as well as regular bi-lateral discussions with the Departmental Accounting Officer.

2. Purpose of the governance framework

MPMNI summarises the purpose of the Governance Statement as being to record the stewardship of the organisation to supplement the accounts, providing a sense of how successfully it has coped with the challenge it faces.

The Agency's governance framework consists of the Board operating framework, the risk management framework, financial management systems, and supporting policies and procedures.

The governance framework delivers the systems and processes as well as the culture and values by which the Agency is directed and managed. It sets out how the Agency monitors the achievement of its strategic objectives and considers whether those objectives have led to the delivery of appropriate, cost-effective services.

The system of internal control is a significant part of the governance framework and is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness.

There is also a risk management system in place which is designed to identify the Agency's risk appetite and prioritise the risks to the achievement of the Agency's policies, aims and objectives, to evaluate the likelihood of those risks being realised, their potential impact and to manage them effectively. The system of internal control has been in place in the Agency throughout the year ended 31 March 2025 and up to the date of approval of the accounts.

3. Governance framework

The governance framework supports me in my role as Accounting Officer. The framework provides detail on NIPS approach to ensure the proper and effective governance and management of its affairs, outlining NIPS governance and accountability arrangements, both external and internal.

NIPS complied with the Corporate Governance Code during 2024-25. A copy of the framework can be accessed on NIPS website under Publications/Corporate Documents.

The key organisational structures which support the delivery of effective governance are the:

- Prison Service Management Board (PSMB);
- Audit and Risk Committee (ARC);
- Executive Forum (EF);
- Operational Management Board; and
- Finance Committee.

NIPS regularly reviews its framework and is satisfied it has a robust framework that is compliant with relevant guidance issued by DoF.

There are two mechanisms in place to monitor the potential conflicts of interest of NIPS Board Members:

- Note 21 to the Accounts details Related Party Transactions; and
- Board Members are asked to declare any potential conflicts of interest to items on the agenda at the start of each PSMB and ARC meeting.

Two of the Board members have declared that they hold positions as Non-Executive Members in other public sector organisations, but these are not considered to conflict with their management responsibilities in NIPS.

Prison Service Management Board (PSMB)

PSMB brings together the strategic and operational leadership of NIPS. The Board is chaired by the Director General and consists of two Non-Executive Members. It is the top management structure in NIPS and its main role is to provide advice to the Director General; lead on the development and implementation of policy and strategy; challenge decisions made by the Executive Forum; monitor NIPS performance and to provide overall assurance to the Director General on NIPS affairs.

The Board works to a scheduled Forward Work Programme with key items scheduled at each meeting and recurring issues scheduled on a quarterly basis. A feature of the Board is its focus on exception reporting and monthly ‘progress and challenge’ reports from Executive Directors, each of which highlights quickly and efficiently the key issues from the previous month, allowing the Board to focus their attention on the key issues and request further information on topics of concern.

The information received is considered to be of a high standard and allows the Board to be kept informed of any issues that it needs to be aware of to support decision making and drive improvement. The Board provides an effective challenge function for the senior team as it reviews performance, governance and risk with independent members providing challenge and guidance when required.

PSMB met on eight occasions during 2024-25; attendance by members is shown in the table below.

Member	Attendance
Director General – Beverley Wall	7
Director of Prisons - David Kennedy	8
Acting Director of Corporate Services – Lorraine Montgomery (from 8 April 2024)	6
Acting Director of Rehabilitation - Steven McCourt (retired 11 June 2024)	2
Acting Director of Rehabilitation and Reducing Offending – Maria Watson (from 4 May 2024)	5
Non-Executive Member - Claire Keatinge*	4
Non-Executive Member - Sarah Wakfer	8
Non-Executive Member – Edgar Jardine**	5

** Term ended 31 October 2024*
*** Term commenced 1 August 2024*

Prison Service Management Board (PSMB) (continued)

Among matters considered by the Board during 2024-25 were:

- Strategic and business planning;
- Prisoner Population;
- Performance;
- Financial planning and management, with particular regard to budget pressures; and
- Human resource management, including staffing levels and sickness absence.

Audit and Risk Committee (ARC)

ARC is appointed by the Board and its membership comprises of two Non-Executive Members and an Independent ARC Member. Non-Executive Member Claire Keatinge’s term ended on 31 October 2024 following a short period of transition to her replacement Non-Executive Member Edgar Jardine commencing on 1 August 2024. Sarah Wakfer continued in her role as a Non-Executive Member throughout 2024-25. Helen Trimble remained as the Independent ARC member. The Committee is assisted by attendees from relevant NIPS business areas as required.

The primary function of the Committee is to test and challenge the assurances which the Board and the Accounting Officer have identified as meeting their needs, the way in which these assurances are developed and the management priorities and approaches on which the assurances are premised.

In addition, ARC ensures that recommendations are implemented by reviewing the actions taken by management in response to the Northern Ireland Audit Office’s ‘Report to Those Charged with Governance’.

ARC met five times during 2024-25; attendance by members is shown in the table below.

Member	Attendance
Non-Executive Member - Claire Keatinge*	3
Non-Executive Member - Sarah Wakfer (Chair)	5
Non-Executive Member – Edgar Jardine**	3
Independent ARC Member – Helen Trimble - Official in Department of Finance	3

** Term ended 31 October 2024*
*** Term commenced 1 August 2024*

Audit and Risk Committee (ARC) (continued)

Key matters considered during 2024-25 included:

- In-depth review of the Corporate Risk Register;
- Review of recommendations arising from Inspection/Audit reports;
- Review of the draft Annual Report and Accounts; and
- Updates from Internal Audit and NIAO.

A review of ARC effectiveness is carried out on an annual basis through a short questionnaire to members.

Executive Forum (EF)

EF is chaired by the Director General[2]. Under the general direction and control of the Director General, the remit of EF is to provide advice to the Director General, including but not limited to, key operational matters affecting prison establishments and the approach being taken to manage them. EF will also consider any other matters deemed appropriate in order to provide overall assurance to the Director General on NIPS' affairs.

EF will act in an advisory and consultative capacity, offering guidance when sought.

It will not usually direct any of its members on how their business areas should be run, with day-to-day operational matters being the responsibility of the Director General and the Executive Directors.

Although EF may decide to delegate decisions as considered appropriate, the range of matters reserved for its consideration and decision may include:

- Horizon scanning to identify emerging risks/issues and agreeing appropriate mitigating actions;
- Overseeing implementation of the Annual Business Plan;
- Monitoring the implementation of outstanding inspection recommendations;
- Considering reports from any Sub-Committees of the EF; and
- Initial assessment of proposals to progress significant projects or programmes which are above DoJ's delegated limits prior to referral to PSMB for approval.

[2] In the absence of the Director General, the Director of Prisons will chair the meeting.

Executive Forum (EF) (continued)

EF met ten times during 2024-25; attendance by members is shown in the table below.

Member	Attendance
Director General	9
Director of Prisons	7
Acting Director of Reducing Offending	10
Acting Director of Corporate Services	10
Deputy Director of Prisons, Security and Operations	9
Governor of Maghaberry Prison	8
Governor of Magilligan Prison	10
Governor of Hydebank Prison	7
HR Business Partner	8

Operational Management Board (OMB)

The OMB provides the governance mechanism to ensure that the operational responsibilities of NIPS are effectively delivered, and that implementation and delivery remains effectively aligned to the overarching corporate vision, priorities, values and behaviours.

OMB met on ten occasions during 2024-25; attendance by members is shown in the table below.

Member	Attendance
Director of Prisons (Chair)	10
Deputy Director of Security and Operations	9
Acting Director of Rehabilitation and Reducing Offending	8
Acting Director of Corporate Services	8
Governing Governor, Maghaberry	10
Governing Governor, Magilligan	10
Governing Governor, Hydebank Wood	10
Governor in Charge - PECCS	7
Head of Estates	3
Head of Licensing, Legislation and Public Protection	9
Head of Prisoner Wellbeing and Healthcare	8
Head of Equality and Diversity	8
Head of Records Management and Information Assurance	6
Head of Operational Support	10
Senior Legal Advisor	7

With effect from January 2025 the frequency of Board meetings changed from monthly to six weekly to more effectively align with the NIPS corporate governance framework including PSMB July 2024 OMB was cancelled and there was no OMB in March due to new 6 weekly format. Head of Estates formally joined OMB, November 2024.

Finance Committee

The Finance Committee is an Executive Committee chaired by the Director General and supported by the Department's Financial Services Division (FSD). Its purpose is to discuss and scrutinise key strategic finance plans and financial issues impacting on NIPS.

Among the matters considered by the Committee during 2024-25 were:

- Review of in-year financial position;
- Challenge and quality assure business issues with financial consequences;
- Scrutinise strategic financial plans in the face of financial and operational difficulties and to test the robustness of those plans and proposals with shared service partners from FSD;
- Review and challenge capital proposals and priorities and agree adjustments as necessary within affordability constraints;
- Oversee progress on finance projects which are of significant strategic importance and which impact on NIPS ability to meet its targets; and
- The improvement of financial planning, monitoring and reporting within NIPS.

During 2024-25 the Finance Committee met eleven times; attendance by members is shown in the table below.

Member	Attendance
Director General	11
Director of Prisons	10
Acting Director Corporate Services	9
Acting Director of Rehabilitation and Reducing Offending	2
Acting Director of Rehabilitation	9
Deputy Director of Security and Operations	1
Head of Strategy, Governance and Communications	1

4. Risk management and internal control

The management of risk is controlled by the Agency's Prison Service Management Board (PSMB) and Audit and Risk Committee (ARC). It is the responsibility of the PSMB to identify and control the risks faced by the Agency in order to minimise any potential issues. The Agency's Risk Register has been reviewed and reformatted to link with the Department's Corporate Risk Register. This has resulted in a uniform approach across the Department in how we present and manage risk. Risk management forms a central element of the NIPS internal control framework and is also embedded within the business planning process.

The NIPS Corporate Risk Register 2024-25 consisted of seven risks. PSMB has taken the approach of reviewing and addressing, in-depth, one risk per meeting and a review of risk 6: *Ability to deliver outcomes,* while providing continuous assessment to the risk register as a whole. Underpinning this, the risk register is regularly reviewed and formally updated quarterly. Risks are managed locally to a level appropriate to their authority and duties, with the most serious being escalated to PSMB. I am content that the methods in place to monitor risk have proved effective in identifying risks as they arise, quickly and efficiently.

A key element of the Agency's risk and control framework is a professionally led Internal Audit function that works to Government Internal Audit Standards. It reviews the overall arrangements for managing risk, provides assurance, and reports any matters of concern to the ARC.

Assurance is also obtained from the Northern Ireland Audit Office who present their report to the ARC following the statutory audit of the Agency's Annual Report and Accounts. The NIAO published a report on 'Reducing Adult Reoffending in Northern Ireland' in June 2023 which had several recommendations that were relevant to the Prison Service. This has now been the subject of Public Accounts Committee hearings in April 2025 and is likely to lead to further recommendations when the Committee publish its report later this year.

There are a number of other sources from which support assurance on the system of internal control. These include the work of the following independent bodies:

- Criminal Justice Inspection Northern Ireland (CJINI) - an independent statutory Inspectorate with responsibility for inspecting all aspects of the Criminal Justice System in Northern Ireland, apart from the judiciary;
- Prisoner Ombudsman - investigates complaints from prisoners, deaths in NIPS custody and complaints from visitors to prisoners;
- His Majesty's Inspectorate of Prisons - independent scrutiny of the conditions for and treatment of prisoners and promoting the concept of 'healthy prisons' in which staff work effectively to support prisoners and detainees to reduce reoffending or achieve other agreed outcomes; and
- Independent Monitoring Board - independent members monitor the day to day life in prison and ensure that proper standards of care and decency are maintained.

5. Review of effectiveness of the governance framework

As Accounting Officer, I have responsibility for reviewing the effectiveness of the governance framework. I have been advised throughout the year on the effectiveness of the system of internal control by PSMB and ARC, and from reports by executive managers within the Agency who have responsibility for the development and maintenance of the internal control framework. I have also ensured the effective management of financial resources by following financial management practices and guidance issued by DoJ/DoF.

My review of the effectiveness of the system of internal control has been informed by the reports produced by Internal Audit. During 2024-25 there was a total of four separate audits in the overall NIPS Internal Audit Plan. Provision was also made should the raising a concern policy be invoked throughout the year. The key areas reviewed included. Government Procurement Card – HQ and Establishments, Behaviour and Discipline, Payroll and Allowances, Attendance Management – Operational Staff and Raising Concerns.

There were four internal audits conducted in 2024-25 with three audits having a satisfactory opinion with no Priority One recommendations. One internal audit report on Behaviour and Discipline, published on 19 May 2025, had a limited opinion with one Priority One recommendation. There have been two Priority Two recommendations and seven Priority Three recommendations, which were mostly accepted by management. The overall acceptance rate is 80% against the performance target of 90%.

Sufficient audit work has been completed to enable satisfactory assurance to be reported in the Head of Internal Audit's Annual Assurance Report and Opinion for 2024-25 as this is based on a cumulative assurance over the past three years.

6. Budget Position and Authority

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 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.

7. Significant internal control issues

Effective governance arrangements and senior oversight are maintained to ensure appropriate and timely responses to such issues that arise. The following issue was noted for 2024-25:

Deaths in custody

During this year there were four deaths in custody. The cause of death is determined by the Coroner at inquest and no inquests have taken place related to these deaths.

The Prisoner Ombudsman's Office was notified following each death in custody and their investigations into the circumstances are ongoing. The NIPS extends its sympathy to the families of those who have died.

8. Accounting Officer statement on assurance

NIPS has established a robust assurance framework that includes primary assurance through line management structures on the achievement of objectives. This primary assurance is supplemented by secondary assurances provided through oversight of management activity, and by Internal Audit operating to Government Internal Audit Standards. They deliver an agreed prioritised programme of systems based audits covering the Agency's systems over time.

The Head of Internal Audit provides me with an Annual Report and their professional opinion on the level of assurance that she can provide based on the work done. The Head of Internal Audit forms her professional opinion on the basis of the Internal Audit work completed over a three year period and she has provided overall satisfactory assurance.

NIPS has maintained a framework of control to ensure that there are sufficient control processes in place to provide assurance over financial and operational risks, as well as performing a regular review of the effectiveness of the system of internal control.

I am therefore satisfied that I have effective governance arrangements and the necessary policies and procedures in place to provide a sound system of internal control to support the Agency in delivering its statutory duties and to meet the aims and objectives set by the Minister, while safeguarding the public funds and assets for which I am personally responsible, in accordance with the responsibilities assigned to me in my letter of delegation and in Managing Public Money Northern Ireland.

REMUNERATION AND STAFF 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 Assembly, on 28 May 2024, in which the Finance Minister outlined the overarching approach to public sector pay, the NI public sector pay policy guidance was published on 31 May 2024 in FD (DoF) 07/24.

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

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

Service Contracts

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

Unless otherwise stated, the officials covered by this report hold appointments that are open-ended. Early termination, other than for misconduct, would result in consideration of the individual receiving compensation as set out in the Civil Service Compensation Scheme[3].

Claire Keatinge commenced as a Non-Executive Member on 1 November 2017 for a period of three years, renewed on 1 November 2020 for a further three years and extended on 1 November 2023 for a further year until 31 October 2024.

Sarah Wakfer commenced as a Non-Executive Member on 1 July 2019 for a period of three years, and this was renewed on 1 July 2022 for a further three years.

Edgar Jardine commenced as a Non-Executive Member on 1 August 2024 for a period of three years.

The remuneration of the Non-Executive Members was determined by the Director General, taking account of guidance issued by The Executive Office on the appointment of independent Non-Executive Members.

[3] Civil Service Commissioners for Northern Ireland (nicscommissioners.org)

Remuneration and pension entitlements

The following sections provide details of the remuneration and pension interests of the senior management of the Agency.

[Audited information]

Single total figure of remuneration	**2024-25**			
Board Member	**Salary** **£000**	**Benefits in kind (to nearest £100)** **£000**	***Pension Benefits (to nearest £1,000)** **£000**	**Total** **£000**
Beverley Wall Director General	110-115	-	82	195-200
David Kennedy Director of Prisons	105-110	-	57	165-170
Lorraine Montgomery Acting Director of Corporate Services (from 8 April 2024)	80-85 (FYE 85-90)	-	31	115-120
Steven McCourt Acting Director of Rehabilitation (until 11 June 2024)	25-30 (FYE 85-90)	-	103	130-135
Maria Watson Acting Director of Rehabilitation and Reducing Offending (from 7 May 2024)	75-80 (FYE 85-90)	-	96	175-180
Claire Keatinge Non-Executive Member (until 31 October 2024)	0-5	1.6	-	5-10
Sarah Wakfer Non-Executive Member	5-10	0.4	-	5-10
Edgar Jardine Non-Executive Member (from 1 August 2024)	0-5	0.1	-	0.5

FYE - Full Year Equivalent

The salary figures presented in this table are based on actual payments made during the financial year. These figures do not include the 2024-25 pay award, which has been accrued in the financial statements. The value of that award will be included in this table when paid in the 2025-26 financial year.

** 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 or any increase or decreases due to a transfer of pension rights.*

Remuneration and pension entitlements (continued)

[Audited information]

Single total figure of remuneration	**2023-24**			
Board Member	**Salary** **£000**	**Benefits in kind (to nearest £100)** **£000**	****Pension Benefits (to nearest £1,000)** **£000**	**Total** **£000**
Beverley Wall Director General (from 31 July 2023)	65-70 (FYE 100-105)	-	(35)	30-35
Ronnie Armour Director General (until 30 June 2023)	25-30 (FYE 105-110)	-	25	50-55
David Kennedy Director of Prisons	95-100	-	18	115-120
Steven McCourt Acting Director of Rehabilitation	75-80	-	(21)	55-60
Brendan Giffen Head of Strategy and Governance	65-70	-	(3)	65-70
Claire Keatinge Non-Executive Member	5-10	1.7	-	5-10
Sarah Wakfer Non-Executive Member	5-10	0.2	-	5-10

FYE – Full Year Equivalent

*** 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 or any increase or decreases 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.

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 gratia payments. This report is based on actual payments made by the Northern Ireland Prison Service during the financial year.

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. The benefits in kind shown above are in respect of travel and subsistence expenses incurred on Agency business. In line with revised guidance from HMRC for Non-Executive Members (NEMs) with effect from 1 April 2019, expenditure on benefits in kind has been grossed up for individual NEMs and PAYE/NIC rules applied in line with normal payroll procedures.

Fair pay disclosures

Pay ratios

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

The banded remuneration of the highest-paid director in the Northern Ireland Prison Service in the financial year 2024-25 was £105,000 - £110,000 (2023-24: £100,000 - £105,000). The relationship between the mid-point of this band and the remuneration of the organisation's workforce is disclosed below. The salary range of the highest paid director differs from the banded salary disclosed under 'Remuneration and pension entitlements' due to salary arrears paid during that year.

[Audited information]

2024-25	**25th percentile**	**Median**	**75th percentile**
Total remuneration (£)	32,374	36,629	44,915
Pay ratio	3.2:1	2.8:1	2.3:1

2023-24	**25th percentile**	**Median**	**75th percentile**
Total remuneration (£)	27,728	31,830	39,787
Pay ratio	3.7:1	3.2:1	2.6:1

The 25th percentile, median and 75th percentile remuneration figures are based on annualised salaries for the last month of the financial year, adjusted for any non-consolidated payments made to staff during the year.

Fair pay disclosures (continued)

Total remuneration includes salary, non-consolidated performance-related pay and benefits in kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

The values for the salary component of remuneration (excluding all other remuneration) for the 25th percentile, median and 75th percentile were £31,564, £31,564 and £43,537 (2023-24: £27,239, £31,703 and £35,363) respectively.

In 2024-25, no employees (2023-24: None) received remuneration in excess of the highest paid Director.

Remuneration ranged from £21,000 to £110,000 (2023-24: £21,000 to £102,500).

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 Northern Ireland prison Service 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. The percentage increase in 2024-25 v 2023-24 is a result of the payment of the 2023-24 NICS pay award in June 2024.

[Audited information]

Percentage change for:	**2024-25 v 2023-24**	**2023-24 v 2022-23**
Average employee salary and allowances	14.1%	5.8%
Highest paid director's salary and allowances *	8.5%	(3.1%)
Average employee performance pay and bonuses **	0.0%	(100.0%)

** The calculation for the highest paid director is based on the mid-point of the band within which their remuneration fell in each year.*

*** The Northern Ireland Civil Service special bonus scheme was withdrawn with effect from 31 March 2021.*

Pension entitlements

[Audited information]

Board Member	Accrued pension at pension age as at 31/3/25 and related lump sum £000	Real increase in pension and related lump sum at pension age £000	CETV at *31/3/25 £000	CETV at 31/3/24** £000	Real increase in CETV £000
Beverley Wall Director General	45-50 plus lump sum 120-125	2.5-5 plus lump sum 5-7.5	1089	973	71
David Kennedy Director of Prisons	60-65 plus lump sum 165-170	2.5-5 plus lump sum 2.5-5	1499	1,390	49
Lorraine Montgomery Acting Director of Corporate Services (from 8 April 2024)	25-30	0-2.5	379	343	19
Steven McCourt Acting Director of Rehabilitation (until 11 June 2024)	45-50 plus lump sum 95-100	5-7.5 plus lump sum 0	1054	997	33
Maria Watson Acting Director of Rehabilitation and Reducing Offending (from 4 May 2024)	30-35 plus lump sum 75-80	2.5-5 plus lump sum 7.5-10	675	565	86

* *Or date of leaving if earlier*
** *Or date of joining if later*

*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.*

No pension benefits are provided to the Non-Executive Members.

Northern Ireland Civil Service (NICS) Pension Schemes

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

The alpha pension scheme was 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 (DoF) 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 NICS Pension Scheme members are in the same pension scheme, alpha, from 1 April 2022 onwards, regardless of age. This removes the discrimination going forwards in providing equal pension provision for all scheme members.

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

Northern Ireland Civil Service (NICS) Pension Schemes (continued)

Deferred Choice Underpin (DCU). For those members who already have pension benefits in payment in relation to the Remedy Period, they will receive an Immediate Choice. There are a significant number of Immediate Choice Remediable Service Statement (RSS) 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 NICS pension scheme accounts which, once published, are available at DoF Annual Reports and 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 ‘Career Average Revalued Earnings’ (CARE) arrangement in which members accrue pension benefits at a percentage rate of annual pensionable earnings throughout the period of scheme membership. The current accrual rate is 2.32%.

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

Information on the PCSPS(NI) - Closed Scheme

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

Northern Ireland Civil Service (NICS) Pension Schemes (continued)

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 NICS pension schemes can be found at the website Civil Service Pensions (NI).

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 to 31 March 2025 and 1 April 2025 – 30 June 2025 are as follows[4].

Annualised rate of pensionable earnings (Salary Bands) 1 April 2024 to 31 March 2025		**Annualised rate of pensionable earnings (Salary Bands) 1 April 2024 to 31 March 2025**		**Contribution rates - all members**
From	**To**	**From**	**To**	
£0	£26,302.49	£0	£27,091.99	4.60%
£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%

[4] Rates are expected to change mid-year as a result of the outcome of the Consultation on Scheme Yield & Member Contributions.

Northern Ireland Civil Service (NICS) Pension Schemes (continued)

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 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

There were no compensation benefits paid by the Agency to any senior staff members during the financial year (2023-24: £Nil).

STAFF REPORT

Staff costs

[Audited information]

			2024-25	2023-24
	Permanently employed staff	Others	Total	Total
	£000	£000	£000	£000
Wages and salaries	68,799	247	69,046	63,559
Social security costs	7,674	-	7,674	7,594
Other pension costs	19,140	-	19,140	17,634
Total costs	**95,613**	**247**	**95,860**	**88,787**

Of which:		2024-25	2023-24
		Total	Total
	Note	£000	£000
Admin staff costs	5	7,372	6,211
Programme staff costs	6	88,488	82,261
Total admin and programme staff costs	3	**95,860**	**88,472**
Capital projects		-	315
Total costs		**95,860**	**88,787**

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

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

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

The Cost Cap Mechanism (CCM) is a measure of scheme costs and determines whether member costs or scheme benefits require adjustment to maintain costs within a set corridor. Reforms were made to the CCM which was applied to the 2020 scheme valuations and included the introduction of a reformed-scheme-only cost control mechanism which assesses just the costs relating to reformed schemes (alpha for the

Staff costs (continued)

NICS) and introduced an economic check. Prior to the cost control mechanism reforms, legacy scheme (PCSPS(NI)) costs associated with active members were also captured in the mechanism. The reformed-scheme-only design and the economic check were applied to the 2020 scheme valuations for the devolved public sector pension schemes, including the NICS pension scheme. The 2020 scheme valuation outcome was that the core cost cap cost of the scheme lies within the 3% cost cap corridor. As there is no breach of the cost control mechanism, there is no requirement for the Department of Finance to consult on changes to the scheme. Further information can be found on the Department of Finance website https://www.finance-ni.gov.uk/articles/northern-ireland-civil-service-pension-scheme-valuations.

For 2024-25, employers' contributions of £19,204,792 were payable to the NICS pension arrangements at a flat rate of 34.25% of pensionable pay, for all salaries (2023-24: £17,632,234 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 £2,498 (2023-24: £2,223) 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 14.25% (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 £85, 0.5% (2023-24: £75, 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.

9 persons (2023-24: 17 persons) retired early on ill health grounds; the total additional accrued pension liabilities in the year amounted to £67,514 (2023-24: £16,089).

Average number of persons employed

[Audited information]

The average number of whole-time equivalent persons employed during the year was as follows:

			2024-25	2023-24
	Permanently employed staff	Others	Total	Total
Operational staff	1,438	3	1,441	1,410
Administration staff	154	5	159	145
Staff engaged on capital projects	-	-	-	4
Total number of staff	**1,592**	**8**	**1,600**	**1,559**

Staff composition

The tables below provide a gender breakdown of all operational and non-operational staff:

At 31 March 2025	**Female staff**	**Male staff**	**Total staff**
Prison Service Management Board	3	1	4
Senior Civil Service	3	1	4
Staff	635	1,014	1,649

At 31 March 2024	***Female Staff**	**Male staff**	**Total staff**
Prison Service Management Board	3	3	6
Senior Civil Service	1	2	3
Staff	629	1,019	1,648

The breakdown of Senior Civil Service staff by pay scale is as follows:

Pay Scale	**Banding in 2024-25**	**2024-25 Number**	**2023-24 Number**
Pay Scale 1	£79,237 to £88,908	2	2
Pay Scale 2	£101,558 to £113,524	1	1

Management of sickness absence

The NICS HR Handbook contains a section on Sickness Absence which provides a framework for the management of staff who are absent for work due to illness.

Long term sickness absence (absences of 20 consecutive working days or more) accounts for the majority of sickness absence in NIPS. All reasonable action is taken to support staff to achieve a return to work at the earliest possible time and to support their colleagues who are providing service delivery in their absence.

The Agency had an overall sickness absence rate of 24.1 days lost per employee in 2023-24. Annual sickness absence figures can be found at Sickness Absence in the Northern Ireland Civil Service 2023-24 Northern Ireland Statistics and Research Agency. The 2024-25 sickness absence data is not currently available and will be published later this year.

Sickness absence management has been and continues to be proactively managed by the NICS HR Business Partnering Team in collaboration with Governors. The various interventions in place to support staff through any difficulties they may experience are widely publicised throughout the Prison Establishments and fully utilised by staff with some positive results, although this remains a challenging issue.

Occupational support

NIPS has an established embedded HR function where dedicated NICSHR staff are situated on site across each of the prison establishments (Maghaberry, Hydebank and Magilligan) and Prison Service Headquarters. This arrangement is bespoke to NIPS and these DoF staff provide dedicated HR Business Partnering services and advice to Prison Officers and other staff working within NIPS. NIPS staff also have access the full range of health and wellbeing services available to NICS staff through NICSHR. These include Occupational Health Services, a Welfare Support Service, the Well Programme, an Employee Assistance Programme with a self-referral facility to confidential counselling through Inspire Workplace Services and a range of learning and development interventions. NIPS' partnership with the Police Retraining and Rehabilitation Trust (PRRT) continues to evolve and operational staff can attend for a range of services through PRRT, including psychology and physio services; resilience training; and a Health and Wellness Programme developed specifically for prison staff.

Employee wellbeing

The Prisons WELL programme which launched in March 2019 continues to support staff wellbeing. The programme is delivered by the PrisonsWell team at NIPS Headquarters,

During 2024-25 we have continued to deliver the programme with a number of intranet and email updates promoting the importance of looking after your health and wellbeing alongside producing leaflets and guides to signpost staff to a range of support services which offer support on many issues including counselling, welfare services, addiction issues, and advice to carers.

Employee wellbeing (continued)

In January 2025 we held a Wellbeing Week, working in partnership with NICS Well, to deliver health checks to staff across the service. Staff also had the opportunity to speak with a range of exhibitors to receive information and advice on a variety of wellbeing topics and services.

The PrisonsWell App continues to provide all staff with 24-hour access to wellbeing help and support. The App is regularly updated with information to help support staff with their mental health and wellbeing. Staff can also view any upcoming career development/promotion opportunities for operational grades via the App.

NIPS collaboration in the provision of support services with PRRT continues for both serving and retired staff. In 2024 additional operational staff were trained and supported through PRRT.

During 2024-25, 100 operational staff attended a Health and Wellness day at PRRT aimed at providing advice on a range of wellbeing issues such as resilience, diet, exercise and sleep patterns. The feedback from this has been very positive and NIPS continues to roll this out across the prisons.

STAFF POLICIES

Employment, training and advancement of disabled persons

The NICS is a lead partner of Employers for Disability NI (EFDNI) and is an accredited Disability Positive employer.

The NICS delivers an annual programme of communications and training on disability awareness and has policies in place to support inclusive workplaces. A review of the NICS 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 NICS is committed to the employment of disabled people and offers work experience for disabled people through the NICS Work Experience Scheme for Disabled People and annual participation in International Job Shadow Day (IJSD).

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

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

Equality, diversity and inclusion

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

The NICS Diversity Champions Network includes senior colleagues as designated Diversity Champions for each of the nine NICS departments, as well as four thematic leads for gender, race and ethnicity, disability and LGBTQ+. The network alongside the NICS corporate HR function, People and Organisational Development, developed and delivered a NICS Diversity Action Plan 2024-25, which sets out priorities for action by diversity and inclusion theme and cross-cutting priorities.

Equality is a cornerstone consideration in the development and review of all HR policies which determine how staff are recruited and appointed, their terms and conditions, how they are managed and developed, assessed, recognised and rewarded. Further information on the NICS' commitment to equality of opportunity is available in the Equality, Diversity and Inclusion Policy.

Equality, diversity and inclusion (continued)

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

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

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

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

Learning and development

The NICS recognises the importance of having skilled and engaged employees and continues to invest in learning and development. All new recruits, irrespective of grade, have been offered the opportunity to complete a certificate of competence qualification since January 2024.

Development and delivery of generic staff training is centralised in NICSHR[5]. Training is delivered using a variety of learning delivery channels (including classroom delivery, on-line, and virtual classrooms), providing flexible access to learning. Coherent learning pathways are aligned to both corporate need and the NICS Competency Framework.

Leadership development is a key priority within the NICS and NICSHR 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 University of Ulster, QUB and the William J.Clinton Leadership Institute.

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

Learning and development (continued)

NIPS commenced delivery of two leadership development pilots during the year, the first being a programme developed jointly by the Public Protection Advisory Group, which comprises membership from policing, probation, prisons and the core departments North and South. The latter pilot is a bespoke leadership programme developed by the Scottish Prison Service, which will be jointly delivered to participants from NIPS and the Irish Prison Service. Both pilots will be subject to evaluation following their conclusion in November 2025 and January 2026 respectively.

Staff information

Senior leaders regularly visit each prison as part of engagement with a cross-section of staff. The staff intranet continues to be available to all, including operational staff on the landings.

This is in addition to the normal day to day engagement between managers and staff. Formal Whitley structures facilitate communication between staff and their representatives including:

- local Whitley meetings in each Establishment chaired by the Governor;
- quarterly Headquarters meetings chaired by the Director of Prisons; and
- annual Whitley Council chaired by the Director General of NIPS.

There is also informal engagement with both trade unions and staff via a range of communication and engagement strategies, which facilitate staff engagement with senior management.

Employee Consultation and Trade Union Relationships

The Department of Finance is responsible for the NICS Trade Union Arrangements Policy. People & Organisational Development consults and/or negotiates with the NICS recognised trade unions on matters such as pay, promotion, and annual leave which are relevant across the NICS. 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.

Employee Engagement

When launching the 2023 NICS People Survey in April 2023, the Head of the Civil Service issued a message that the frequency of the Survey was changing from yearly to every other year to allow for proper targeting of actions. The 2025 NICS People survey was launched on 29 April 2025 and the results will be available Autumn 2025.

Employee Engagement (continued)

The 2023 NICS People Survey was conducted by NISRA across the nine NICS ministerial Departments as well as the Public Prosecution Service and the Health & Safety Executive for NI. All staff working in these organisations were invited to take part in the survey. For NIPS, 314 permanent staff were invited to complete the survey, of which 88 participated, a response rate of 28%. The Employee Engagement Index (EEI) is the weighted average of the responses to the five employee engagement questions, and it ranges from 0% to 100%. NIPS responses indicated an Employee Engagement Index of 55%, compared to the NICS and DoJ average of 54%. The full survey can be accessed at: https://www.finance-ni.gov.uk/publications/nics-people-survey-results.

NIPS subsequently worked with the Northern Ireland Statistics and Research Agency (NISRA) to develop the first dedicated survey of employee's attitudes to and experiences of working in NIPS. The survey of all operational and administrative staff was conducted during March 2024. The overall response rate to the survey was very encouraging at 55%, almost doubling the response rate from the prior staff survey conducted in 2019. NIPS responses indicated an Employee Engagement Index of 32%. Across nine engagement theme scores, "Organisational Objectives and Purpose" scored highest overall at 64%. The theme scores "My Team" (60% and "Resources and Workload" (53%) also scored above 50%. Conversely, "Pay and Benefits" was the lowest theme score of 12%, with the themes "Leadership and Managing Change" (18%) and "Learning and Development" (25%) also low performing scores.

Following publication of the results of the NIPS People Survey in May, a call for volunteers issued to staff inviting them to engage in the analysis of results and the development of proposed recommendations. Eight staff forums were held in November. A forum was also held with representatives of the Trade Unions. The recommendations were grouped into the following seven areas: Oversight; Communication; Career progression/learning and development; Managing performance/raising a concern; Operational deployment; Recognising achievement/staff wellness; and Governance/technology and then presented at a meeting with the Director General and her senior management team in February.

All recommendations agreed at the meeting will be tabled for consideration/approval at PSMB before being progressed through an Implementation team alongside the business planning exercise for 2025-26.

Staff turnover

The Agency Turnover percentage (the total number of people that have left the Agency including those who have moved within the NICS) for 2024-25 is 7.4%, and the General Turnover percentage (the people who have left the Agency and have not gone elsewhere in the NICS) is 6.6%. This has been calculated by NICS HR based on the Cabinet Office Guidance on calculations for Turnover in the Civil Service.

	2023-24	2023-24
Departmental Turnover Rate	7.4%	7.7%
General Turnover Rate	6.6%	7.0%

Expenditure on consultancy

NIPS incurred £52,419 expenditure on consultancy during 2024-25 (2023-24: £Nil).

Off-payroll engagements

There were no off-payroll engagements requiring disclosure during 2024-25 (2023-24: Nil).

Reporting of Civil Service and other compensation schemes - exit packages

[Audited information]

			2024-25			2023-24 *(Restated)*
	Compulsory redundancies	Other departures agreed	Total exit packages	Compulsory redundancies	Other departures agreed	Total exit packages
Exit package by cost band	**Number**	**Number**	**Number**	**Number**	**Number**	**Number**
<£10,000	-	5	5	-	5	5
£10,000 - £25,000	-	3	3	-	-	-
£25,000 - £50,000	-	2	2	-	1	1
£50,000 - £100,000	-	2	2	-	1	1
£100,000 - £150,000	-	-	-	-	-	-
£150,000 - £200,000	-	-	-	-	-	-
Total number of exit packages	**-**	**12**	**12**	**-**	**7**	**7**
Value	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Total resource cost £	**-**	**320**	**320**	**-**	**120**	**120**

Redundancy and other departure costs have been paid in accordance with the provisions of the Civil Service Compensation Scheme (Northern Ireland) (CSCS (NI)), a statutory scheme made under the Superannuation (Northern Ireland) Order 1972. The table above shows the total cost of exit packages agreed and accounted for in 2024-25 and 2023-24. £0.32m exit costs were paid in 2024-25, the year of departure (2023-24 £0.12m restated). Where the Agency has agreed early retirements, the additional costs are met by the Agency and not by the Civil Service pension scheme. Ill-health retirement costs are met by the pension scheme and are not included in the table.

ASSEMBLY ACCOUNTABILITY AND AUDIT REPORT

OTHER ASSEMBLY ACCOUNTABILITY DISCLOSURES

[Audited information]

Losses

There were no losses or special payments that require disclosure in 2024-25 or 2023-24.

Special payments

Included in the provision note (Note 16) are special payments. Amounts utilised during the year included 84 compensation payments (2023-24: 69) totalling £1,926,348 (2023-24: £1,061,476).

During the year compensation totalling £770,00 was made in respect of a personal injury claim settled by the Agency.

Remote contingent liabilities

[Audited information]

In addition to contingent liabilities reported within the meaning of International Accounting Standard (IAS) 37 *Provisions, Contingent Liabilities and Contingent Assets*, the Agency is required to report liabilities for which the likelihood of economic benefit in settlement is too remote to meet the definition of a contingent liability. The Agency has no such liabilities.

Note 20 provides further details regarding the contingent liabilities that are included within the financial statements.

ACCOUNTABILITY REPORT

Beverley Wall

Beverley Wall
Accounting Officer
1 July 2025

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

Opinion on financial statements

I certify that I have audited the financial statements of the Northern Ireland Prison Service for the year ended 31 March 2025 under the Government Resources and Accounts Act (Northern Ireland) 2001. The financial statements comprise: the Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity; and the related notes including significant accounting policies. The financial reporting framework that has been applied in the preparation of the Northern Ireland Prison Service 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 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 Northern Ireland Prison Service's affairs as at 31 March 2025 and of its net 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 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 my certificate.

My staff and I are independent of the Northern Ireland Prison Service 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.

THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE NORTHERN IRELAND ASSEMBLY (CONTINUED)

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the Northern Ireland Prison Service’s use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Northern Ireland Prison Service's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

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

Other Information

The other information comprises the information included in the Annual Report other than the financial statements, the parts of the Accountability Report described in that report as having been audited and my audit certificate and report. The Accounting Officer is responsible for the other information included in the annual report. 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.

THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE NORTHERN IRELAND ASSEMBLY (CONTINUED)

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 Northern Ireland Prison Service 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 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 are in place as deemed necessary to enable the preparation of financial statements to be free form material misstatement, whether due to fraud or error;

THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE NORTHERN IRELAND ASSEMBLY (CONTINUED)

- ensure the annual report, which includes the Remuneration and Staff Report, is prepared in accordance with the applicable financial reporting framework; and

- assessing the Northern Ireland Prison Service's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by the Northern Ireland Prison Service 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 Northern Ireland Prison Service through discussion with management and application of extensive public sector accountability knowledge. The key laws and regulations I considered included the Prison Act (Northern Ireland) 1953 and the Northern Ireland Act 1998 (Devolution of Policing and Justice Functions) Order 2010;

- making enquires of management and those charged with governance on the Northern Ireland Prison Service's compliance with laws and regulations;

- making enquiries of internal audit, management and those charged with governance as to susceptibility to irregularity and fraud, their assessment of the risk of material misstatement due to fraud and irregularity, and their knowledge of actual, suspected and alleged fraud and irregularity;

THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE NORTHERN IRELAND ASSEMBLY (CONTINUED)

- completing risk assessment procedures to assess the susceptibility of the Northern Ireland Prison Service's financial statements to material misstatement, including how fraud might occur. This included, but was not limited to, an engagement director led engagement team discussion on fraud to identify particular areas, transaction streams and business practices that may be susceptible to material misstatement due to fraud. As part of this discussion, I identified potential for fraud in the posting of unusual journals and expenditure recognition.

- 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;

- 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; and

- Addressing the risk of fraud as a result of management override of controls by:

    - performing analytical procedures to identify unusual or unexpected relationships or movements;

    - testing journal entries to identify potential anomalies, and inappropriate or unauthorised adjustments;

    - assessing whether judgements and other assumptions made in determining accounting estimates were indicative of potential bias; and

    - investigating significant or unusual transactions made outside of the normal course of business.

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

In addition, I am required to obtain evidence sufficient to give reasonable assurance that the 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.

THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE NORTHERN IRELAND ASSEMBLY (CONTINUED)

Report

I have no observations to make on these financial statements.

Dorinnia Carville
Comptroller and Auditor General
Northern Ireland Audit Office
107 University Street
BELFAST
BT7 IEU
3rd July 2025

FINANCIAL STATEMENTS

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 £000	2023-24 £000
Revenue from contracts with customers	3	(5,053)	(4,966)
Other operating income	3	(52)	(43)
Total operating income		**(5,105)**	**(5,009)**
Staff costs	3	95,860	88,742
Purchase of goods and services	3	38,718	37,719
Depreciation and impairment charges	3	15,666	15,445
Provision expense	3	4,452	4,081
Grants	3	2,226	2,038
Total operating expenditure		**156,922**	**147,755**
Net operating expenditure		**151,817**	**142,746**
Finance expense	3	3,249	2,797
Net expenditure for the year		**155,066**	**145,543**
Audit notional costs		48	45
Other notional costs		3,227	3,066
Total notional costs		**3,275**	**3,111**
Net expenditure for the year including notionals		**158,341**	**148,654**
Other comprehensive net expenditure			
Items that will not be reclassified to Net operating expenditure:			
- Net (gain) on revaluation of property, plant and equipment	8	(7,929)	(8,717)
- Net (gain) on revaluation of intangibles	9	(97)	(150)
- Actuarial (gain)/loss on provisions	16	3,467	(4,055)
Comprehensive net expenditure for the year		**153,782**	**135,732**

The notes on pages 79 to 111 form part of these Accounts.

Statement of Financial Position

As at 31 March 2025

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

	Note	31 March 2025 £000	31 March 2024 £000
Non-current assets			
Property, plant and equipment	8	352,289	346,137
Intangible assets	9	4,072	3,828
Trade and other receivables	14	2	19
Financial assets	10	4	6
Total non-current assets		**356,367**	**349,990**
Current assets			
Inventories	12	1,255	1,186
Trade and other receivables	14	2,093	2,429
Financial assets	10	3	3
Cash and cash equivalents	13	149	246
Total current assets		**3,500**	**3,864**
Total assets		**359,867**	**353,854**
Current liabilities			
Trade and other payables	15	(26,531)	(32,490)
Provisions	16	(7,682)	(6,113)
Total current liabilities		**(34,213)**	**(38,603)**
Total assets less current liabilities		**325,654**	**315,251**
Non-current liabilities			
Provisions	16	(70,337)	(67,037)
Other payables	15	-	-
Total non-current liabilities		**(70,337)**	**(67,037)**
Total assets less total liabilities		**255,317**	**248,214**
Taxpayers' equity and other reserves:			
General Fund		140,465	136,457
Revaluation Reserve		114,852	111,757
Total equity		**255,317**	**248,214**

Beverley Wall
Accounting Officer **1 July 2025**
The notes on pages 79 to 111 form part of these Accounts.

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 Agency during the reporting period. The statement shows how the Agency 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 Agency. Investing activities represent the extent to which cash inflows and outflows have been made for resources which are intended to contribute to the Agency's future public service delivery.

	Note	2024-25 £000	2023-24 £000
Cash flows from operating activities			
Net expenditure for the year		(158,341)	(148,654)
Adjustments for non-cash transactions	4	26,637	25,406
Decrease/(increase) in trade and other receivables	14	353	(14)
(Increase)/decrease in inventories	12	(69)	43
Increase in trade and other payables	15	(4,924)	3,227
less movements in payables relating to items not passing through the Statement of Comprehensive Net Expenditure		14	1,612
Use of provisions	16	(6,293)	(4,486)
Net cash outflow from operating activities		**(142,623)**	**(122,866)**
Cash flows from investing activities			
Purchase of property, plant and equipment		(13,340)	(16,394)
Purchase of intangible assets		(712)	(907)
Proceeds of disposal of assets		-	6
Repayments from other bodies	10	2	2
Net cash outflow from investing activities		**(14,050)**	**(17,293)**
Cash flows from financing activities			
From the Consolidated Fund (Supply) - current year		157,610	140,501
Capital element of payments in respect of finance leases		-	(121)
Net financing		**157,610**	**140,380**
Net increase in cash and cash equivalents before adjustment for receipts and payments to Consolidated Fund		**937**	**221**
Receipts due to the Consolidated Fund which are outside the scope of the Agency's activities		46	9
Payments of amounts due to the Consolidated Fund		(45)	(9)
Net increase in cash and cash equivalents after adjustments for receipts and payments to the Consolidated Fund		**938**	**221**
Cash and cash equivalents at the start of the period	13	**(1,980)**	**(2,201)**
Cash and cash equivalents at the end of the period	13	**(1,042)**	**(1,980)**

The notes on pages 79 to 111 form part of these Accounts.

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 Agency analysed into General Fund Reserves, (i.e. those reserves that reflect a contribution from the Consolidated Fund). The Revaluation Reserve reflects the change in asset values that have not been recognised as income or expenditure. The General Fund represents the total assets less liabilities, to the extent that the total is not represented by other reserves and financing items.

		General Fund £000	Revaluation Reserve £000	Taxpayers' Equity £000
Balance at 31 March 2023		**132,169**	**108,165**	**240,334**
Net Assembly Funding		140,501	-	140,501
Comprehensive net expenditure for the year		(144,599)	8,867	(135,732)
Auditor's remuneration	3	45	-	45
Other notionals	3	3,066	-	3,066
Transfers between reserves		5,275	(5,275)	-
Balance at 31 March 2024		**136,457**	**111,757**	**248,214**
Net Assembly Funding		157,610	-	157,610
Comprehensive net expenditure for the year		(161,808)	8,026	(153,782)
Auditor's remuneration	3	48	-	48
Other notionals	3	3,227	-	3,227
Transfers between reserves		4,931	(4,931)	-
Balance at 31 March 2025		**140,465**	**114,852**	**255,317**

The notes on pages 79 to 111 form part of these Accounts.

Notes to the Accounts

1. Statement of accounting policies

These financial statements have been prepared in accordance with the 2024-25 Government Financial Reporting Manual (FReM) issued by the Department of Finance (DoF). The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which has been judged to be the most appropriate to the particular circumstances of NIPS for the purpose of giving a true and fair view has been selected. The particular policies adopted by NIPS are described below. They have been applied consistently in dealing with items considered material to the financial statements.

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 inventories and the revaluation of financial instruments which are recorded in the Statement of Financial Position at their fair value, being the carrying amount discounted to present value at the effective rate of interest of 2.15%.

The accounts are stated in sterling, which is the Agency's functional and presentational currency. Unless otherwise noted, the amounts shown in these financial statements are in thousands of pounds sterling (£000).

1.2 Property, plant and equipment

Freehold Land and Buildings on the NIPS estate are capitalised where title is held by the Agency. Land and Buildings are subject to professional valuation at least once every five years and revalued using Land and Property Services indices in intervening years.

Property, plant and equipment, other than land and buildings, are carried at current cost using indices compiled by the Office for National Statistics (ONS). The standard threshold for capitalisation is £1,000. Lower thresholds apply to certain types of IT equipment.

Expenditure on office furniture and equipment is classified as capital expenditure if the purchase cost of an individual item is over the standard threshold of £1,000. An exception to this is if, as the result of a refurbishment or the establishment of a new office or project, a pool of new office furniture or equipment is purchased with individual items costing less than £1,000 but the total purchase costs are more than £1,000.

Properties regarded by NIPS as operational are valued on the basis of existing use, or where this could not be assessed because there is no market value for the property, its depreciated replacement cost. Properties regarded by NIPS as non-operational are valued on the basis of open market value.

1.2 Property, plant and equipment (continued)

NIPS 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 Northern Ireland Prison Service 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.

1.3 Intangible assets

Purchased computer software licences are capitalised as intangible assets where expenditure of £1,000 or more is incurred. Intangible assets are stated at their market value. Intangible assets are amortised on a straight-line basis over the expected useful lives of the assets concerned.

1.4 Depreciation and amortisation

Freehold land is not depreciated. NIPS has depreciated separately identified components of its buildings assets according to the useful life of that component, with individual lives applied to each component.

Component	Definition
Building structure	Substructure, frame, upper floors, roof, stairs, external walls, windows and external doors, internal walls and partitions, internal doors, floors/wall/ceiling finishes.
Engineering systems	Sanitary appliances, services equipment, disposal installation, water installation, heat source, space heating and air treatment, ventilation systems, electrical, gas, lift and protective installations.
Equipment and security installations	CCTV, access control, alarm systems, control rooms including all associated Information and Communications Technology hardware and software; fixed furniture, fittings, equipment and appliances.
External works	Roads, footpaths, drainage, fences, gates, boundary walls, street furniture, landscaping and external lighting.

1.4 Depreciation and amortisation (continued)

Provision for depreciation and amortisation is made to write-off the cost of property, plant and equipment and intangible assets on a straight-line basis over the expected useful lives of the assets concerned. Land, assets under construction or assets awaiting disposal are not depreciated. The overall expected useful lives of assets are as follows:

Asset category	Useful Life
Buildings	up to 80 years
Plant and Equipment	2 - 40 years
Furniture and Office Equipment	3 - 40 years
Information Technology and Software	1 - 15 years
Vehicles	5 - 20 years

1.5 Realised element of depreciation from Revaluation Reserve

Depreciation is charged to expenditure on the revalued amount of property, plant and equipment. An element of the depreciation therefore arises due to the increase in valuation and is in excess of the depreciation that would be charged on the historical cost of assets. The amount relating to this excess is a realised gain on revaluation and is transferred from the Revaluation Reserve to the General Fund.

1.6 Inventories

Inventories are valued on a First in First Out (FIFO) basis.

1.7 Financial instruments

Under IAS 39 and IFRS 7, NIPS is required to recognise, measure and disclose the elements of its 0% interest Housing Loan Scheme at fair value. These elements have been identified within both Non-current and Current Financial Assets. The carrying value has been discounted at a rate of 2.15%. NIPS does not hold any other financial instruments.

1.8 Pension costs

Employees of the Agency are covered by the provisions of the NICS pension arrangements.

The NICS pension arrangements are defined benefit schemes which are unfunded. The Agency 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 NICS pension arrangements of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the NICS pension arrangements. In respect of defined contribution schemes, the Agency recognises the contributions payable for the year.

1.9 Early retirement costs

NIPS is required to meet the cost of paying pensions of employees who retire early from the date of their retirement until they reach normal pension age. NIPS accounts in full for this cost when the applications for early retirement have been approved and the individuals have been notified.

1.10 Employee benefits

Under IAS 19 an employing entity should recognise the undiscounted amount of short term employee benefits expected to be paid in exchange for the service. NIPS has therefore recognised both annual and flexi leave entitlements that have been earned by the year end but not yet taken. These are included in Current Liabilities and in Staff Costs for both administration and programme staff across the service.

1.11 Provision for liabilities and charges

NIPS provides for legal and constructive obligations, which are of uncertain timing or amount, at the Statement of Financial Position 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 material, the estimated cash flows are discounted.

1.12 Contingent liabilities

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

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

1.13 Leases

In accordance with IFRS 16, the Agency as a lessee is required to recognise assets and liabilities for all leases (apart from the exemptions listed below).

Scope and exclusions

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

- the contract involves the use of an identified asset;

1.13 Leases (continued)

- the Agency has the right to obtain substantially all of the economic benefit from the use of the asset throughout the period of use; and

- the Agency has the right to direct how and for what purpose the asset is used for.

IFRS 16 has also been applied to leases with nil or nominal consideration, for example peppercorn leases, defined as lease payments significantly below market value. These assets are measured at current value in use or fair value on initial recognition.

When making the above assessments the Agency excludes two types of leases:

- low value assets, with an assessment performed on the underlying asset when new (these are determined to be in line with capitalisation thresholds); and

- leases with a lease term of 12 months or less.

The Agency as a lessee

At the commencement of a lease the Agency recognises a right of use asset and a lease liability.

Right of use assets

The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for initial direct costs, prepayments or incentives, and costs related to restoration at the end of a lease. The right of use assets are subsequently measured at either fair value or current value in existing use in line with property, plant and equipment assets.

The right of use asset is depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right of use asset or the end of the lease term. The estimated useful lives of the right of use assets are determined on the same basis of those of property, plant and equipment assets. The Agency applies IAS 36 Impairment of Assets to determine whether the right of use asset is impaired and to account for any impairment loss identified.

Lease liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or if that cannot be readily determined, the rate provided by HM Treasury (4.81% for leases recognised in 2025, 4.72% for those in 2024).The lease payment is measured at amortised cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in the index or rate, if there is a change in the Agency’s estimates of the amount expected to be payable under a residual value guarantee, or if the Agency changes its assessment of whether it will exercise a purchase, extension or termination option.

1.14 Grants

Grants payable to third parties are charged to the Statement of Comprehensive Net Expenditure as the recipient carries out the activity that creates entitlement.

1.15 Value Added Tax (VAT)

The majority of the activities of NIPS are outside the scope of VAT. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of property, plant and equipment. Where output tax is charged or input VAT is recoverable the amounts are stated net of VAT.

1.16 Administration and Programme expenditure

The Statement of Comprehensive Net Expenditure is analysed between administration and programme income and expenditure. The classification of expenditure and income as administration or as programme follows the definition of administration costs set by DoF.

1.17 Notional costs

Some of the costs directly related to the running of NIPS are borne by other Government Departments or organisations. These costs have been included on the basis of the estimated cost incurred by the providing organisation.

1.18 Insurance

Except where there is a statutory requirement to do so, NIPS does not take out general insurance. Instead expenditure in connection with uninsured risks is charged as incurred.

1.19 Third-party assets

NIPS holds, as custodian, certain assets belonging to third parties. These assets consist of cash held in respect of a Prisoners' Amenity Fund administered by each Prison Establishment and used for the welfare and benefit of all prisoners. Also included are cash amounts belonging to prisoners in the Prisoners' Personal Cash (PPC) accounts, held in the NIPS bank account. PPC balances are disclosed at Note 22 but not elsewhere in these accounts since neither NIPS nor the Government more generally has a direct beneficial interest in them.

1.20 Related party transactions

NIPS is required to disclose material transactions with related parties - bodies or individuals that have the potential to control or influence NIPS or to be controlled or influenced by NIPS. Disclosure of these transactions allows readers to assess the extent to which the NIPS financial position and income and expenditure may have been affected by the existence of related parties and by transactions and outstanding balances with such parties.

1.21 Operating income

Operating income is income that relates directly to the operating activities of NIPS. This includes income from Trading Activities in relation to prisoners and staff catering and is shown gross on the face of the Statement of Comprehensive Net Expenditure and in Note 7 with related costs and expenses shown separately in Notes 5 and 6 of these financial statements.

1.22 Income

Financing

NIPS is primarily resourced by funds approved by the Assembly through the annual Supply process. Resources are drawn down each month to meet expenditure requirements and are credited to the General Fund.

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the Agency is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Agency: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Sale of goods and services

Revenue from the sale of goods and services is recognised either:

- at the point in time when the customer obtains control of the goods, which is generally at the time of delivery; or
- over time as the services are rendered based on either a fixed price or an agreed rate.

Other operating income

Other operating income is income which relates directly to the operating activities of the Agency including:

Other income

Other revenue is recognised when it is received or when the right to receive payment is established.

1.23 Critical accounting estimates and key judgements

The preparation of financial statements in conformity with IFRS requires the use of accounting estimates and assumptions. It also requires management to exercise its judgement in the process of applying the NIPS accounting policies. We continually evaluate our estimates, assumptions and judgements based on available information and experience. As the use of estimates is inherent in financial reporting, actual results could differ from these estimates. The estimates and assumptions which have the most significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are discussed below.

(i) Depreciation of property, plant and equipment

Depreciation is provided in the accounts so as to write-down the respective assets to their residual values over their expected useful lives and as such the selection of the estimated useful lives and the expected residual values of the assets requires the use of estimates and judgements. Details of the estimated useful lives are as shown in Note 1.4.

(ii) Impairment of property, plant and equipment

Where there is an indication that the carrying value of items of property, plant and equipment may have been impaired through events or changes in circumstances, a review will be undertaken of the recoverable amount of that asset.

(iii) Injury on duty awards life expectancy assumption

Benefits payable under the Civil Service Injury Benefit Scheme (Northern Ireland) relating to NIPS are payable to former employees for life. Provision is made for the costs of providing injury awards to employees based on the current number of injury awards and also on the estimated life expectancy of these pensioners. The injury awards were valued under International Accounting Standard (IAS) 19 Employee Benefits by Government Actuary's Department (GAD). IAS 19 requires the employer to value the expected injury awards for active members, who are currently uninjured but who may become injured in the future, and include the value in the Statement of Accounts.

(iv) Litigation provisions

The litigation provision relates to legal claims against NIPS by staff, prisoners and third parties for injuries and other damages including fair employment and industrial tribunal cases. The provisions are based upon the assessment of the likely damages and legal costs payable, with reference to legal experts and in consideration of settlements in cases of a similar nature were it is probable that the claim will be successful. NIPS also carry out an objective exercise to compare estimates to actual settlements in current and previous years and will adjust the provisions in line with these findings on an annual basis.

Other than depreciation, provisions and employee benefits, no material accounting estimates or judgements were made by NIPS in preparing these accounts.

1.24 Accounting standards, amendments, interpretations or other updates that were issued and effective for the 2024-25 financial year

The Agency has considered those new Standards, interpretations and amendments to existing Standards which have been published and are mandatory for the Agency's accounting periods beginning on or after 1 April 2024 or later periods, but which the Agency has not adopted. The Agency considers that these are either not relevant or material to its operations.

1.25 Accounting standards, interpretations and amendments to published standards not yet effective

The Agency has considered those new Standards, interpretations and amendments to existing Standards which have been published but are not yet effective, nor adopted early for these Accounts. Other than as outlined below, the Agency considers that these are either not relevant or material to its operations.

<table>
<tr><td>Standard</td><td>IAS 16 Property Plant and Equipment / IAS 38 Intangibles
Non-Investment Asset Valuations</td></tr>
<tr><td>Effective date</td><td>1 April 2025</td></tr>
<tr><td>FReM application</td><td>2025-26</td></tr>
<tr><td>Description of revision</td><td>In December 2023 Treasury released an exposure draft on potential changes to make to valuing and accounting for non-investment assets (e.g. PPE, 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 (EUV).
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.

</td></tr>
</table>

	▪ 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.
Comments	Changes will be made to the valuation and accounting of non-investment assets in line with requirements of the 2025-26 FReM, with effect 1 April 2025.

Standard	**IFRS 18 Presentation and Disclosure in Financial Statements**
Effective date	1 January 2027
FReM application	Not before 2027-28
Description of revision	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 the 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.
Comments	IFRS 18 will be adopted upon its effective date and applied in accordance with the interpretations and guidance set out in the FReM.

1.26 Financial reporting - future developments

The Agency has considered the accounting initiatives identified by HM Treasury and Department of Finance covering potential changes and projects where standards, amendments or interpretations are in development. The Agency considers that these changes are either not relevant or material to its operations.

2. Statement of Operating Expenditure by Operating Segment

2024-25	Maghaberry £000	Magilligan £000	Hydebank £000	Others £000	Total £000
Gross expenditure	66,425	28,132	18,424	50,465	163,446
Income	(3,157)	(1,434)	(483)	(31)	(5,105)
Net expenditure	**63,268**	**26,698**	**17,941**	**50,434**	**158,341**

2023-24	Maghaberry £000	Magilligan £000	Hydebank £000	Others £000	Total £000
Gross expenditure	61,452	26,500	16,924	48,787	153,663
Income	(3,107)	(1,380)	(479)	(43)	(5,009)
Net expenditure	**58,345**	**25,120**	**16,445**	**48,744**	**148,654**

In line with the requirements of IFRS 8, NIPS has reported on Income, Gross and Net Expenditure by geographical segment as pertains to each operational Establishment and is consistent with the management approach and internal reporting structures existing within the Service.

The 'Others' segment reported above includes Headquarter Functions, Prisoner Escorting and Court Custody Service, Offenders Services, Central Stores, Establishment Training and Learning and Skills.

3. Summary of information for Statement of Comprehensive Net Expenditure

2024-25	Note	Administration £000	Programme £000	Total £000
Revenue from contracts with customers	7	-	(5,053)	(5,053)
Other operating income	7	-	(52)	(52)
Total operating income		**-**	**(5,105)**	**(5,105)**
Staff costs	5, 6	7,372	88,488	95,860
Purchase of goods and services	5, 6	3,480	35,238	38,718
Depreciation and impairment charges	6	-	15,666	15,666
Provision expense	6	-	4,452	4,452
Grants	6	-	2,226	2,226
Total operating expenditure		**10,852**	**146,070**	**156,922**
Net operating expenditure		**10,852**	**140,965**	**151,817**
Finance expense	6	-	3,249	3,249
Net expenditure for the year		**10,852**	**144,214**	**155,066**
Audit notional costs		48	-	48
Other notional costs		3,227	-	3,227
Total notional costs		**3,275**	**-**	**3,275**
Net expenditure for the year including notionals		**14,127**	**144,214**	**158,341**

3. Summary of information for Statement of Comprehensive Net Expenditure (continued)

2023-24		Administration	Programme	Total
	Note	£000	£000	£000
Revenue from contracts with customers	7	-	(4,966)	(4,966)
Other operating income	7	-	(43)	(43)
Total operating income		**-**	**(5,009)**	**(5,009)**
Staff costs	5, 6	6,211	82,261	88,472
Purchase of goods and services	5, 6	3,267	34,452	37,719
Depreciation and impairment charges	5, 6	-	15,445	15,445
Provision expense	6	-	4,081	4,081
Grants	6	-	2,038	2,038
Total operating expenditure		**9,478**	**138,277**	**147,755**
Net operating expenditure		**9,478**	**133,268**	**142,746**
Finance expense	5, 6	-	2,797	2,797
Net expenditure for the year		**9,478**	**136,065**	**145,543**
Audit notional costs		45	-	45
Other notional costs		3,066	-	3,066
Total notional costs		**3,111**	**-**	**3,111**
Net expenditure for the year including notionals		**12,589**	**136,065**	**148,654**

4. Non-cash costs

2024-25	Note	Administration £000	Programme £000	Total £000
Purchase of goods and services	6	-	1	1
Notional costs		3,275	-	3,275
Depreciation and impairment	5, 6	-	15,666	15,666
Provision expense	6	-	4,452	4,452
Finance expense	5, 6	-	3,243	3,243
Total		**3,275**	**23,362**	**26,637**

2023-24	Note	Administration £000	Programme £000	Total £000
Purchase of goods and services	5, 6	-	(21)	(21)
Notional costs		3,111	-	3,111
Depreciation and impairment	5, 6	-	15,445	15,445
Provision expense	6	-	4,081	4,081
Finance expense	5, 6	-	2,790	2,790
Total		**3,111**	**22,295**	**25,406**

5. Other administrative expenditure

	Note	2024-25 £000	2023-24 £000
Staff costs*			
Wages and salaries		5,013	4,418
Social security costs		691	490
Other pension costs		1,668	1,303
		7,372	**6,211**
Purchase of goods and services			
Accommodation costs, maintenance and utilities		252	329
IT, communications and office services		1,489	1,515
Consumables, equipment and transport costs		6	3
Contracted out and managed services		676	646
Professional and consultancy costs		142	67
Rentals under operating leases		40	25
Staff related costs		865	680
Other costs		10	2
		3,480	**3,267**
Total administrative expenditure		**10,852**	**9,478**

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

6. Programme expenditure

	Note	2024-25 £000	2023-24 £000
Staff costs*			
Wages and salaries		64,033	58,924
Social security costs		6,983	7,077
Other pension costs		17,472	16,260
		88,488	**82,261**
Purchase of goods and services			
Accommodation costs, maintenance and utilities		13,314	13,457
IT, communications and office services		505	564
Consumables, equipment and transport costs		1,172	1,263
Contracted out and managed services		103	103
Professional and consultancy costs		879	1,464
Prisoner costs		17,388	16,274
Rentals under operating leases		74	21
Staff related costs		1,436	1,328
Other costs		366	(1)
		35,237	**34,473**
Non-cash items			
Loss on disposal of non-current assets	8, 9	1	29
Gain on lease modification		-	(50)
		1	(21)
Total purchase of goods and services		**35,238**	**34,452**
Depreciation and impairment charges			
Depreciation	8	15,306	15,122
Amortisation	9	524	536
Revaluation and impairment released to SoCNE	11	(164)	(213)
		15,666	**15,445**
Provisions expense			
Provisions: provided for in year	16	5,985	5,586
Provisions: written back in year	16	(1,533)	(1,505)
		4,452	**4,081**
Grants		**2,226**	**2,038**
Finance expense			
Interest payable and similar charges		6	7
Interest charges (non-cash)		-	-
Borrowing costs on provisions (non-cash)	16	3,243	2,790
		3,249	**2,797**
Total programme expenditure		**149,319**	**141,074**

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

7. Income

	2024-25 £000	2023-24 £000
Administration income	**-**	**-**
Programme income		
Revenue from contracts with customers		
Sale of goods and services	**5,053**	**4,966**
Other operating income		
Other non-trading income	52	36
Grant income	**-**	7
	52	**43**
Total operating income	**5,105**	**5,009**

Income can be further analysed as follows:

2024-25	**Maghaberry £000**	**Magilligan £000**	**Hydebank £000**	**Others £000**	**Total £000**
Revenue from contracts with customers	3,153	1,389	480	31	**5,053**
Other operating income	4	45	3	-	**52**
Net income	**3,157**	**1,434**	**483**	**31**	**5,105**

2023-24	**Maghaberry £000**	**Magilligan £000**	**Hydebank £000**	**Others £000**	**Total £000**
Revenue from contracts with customers	3,103	1,343	477	43	4,966
Other operating income	4	37	2	-	43
Net income	**3,107**	**1,380**	**479**	**43**	**5,009**

8. Property, plant and equipment

2024-25	Land £000	Buildings £000	Vehicles, Plant & Machinery £000	Information Technology £000	Assets Under Construct-ion £000	Total £000
Cost or valuation						
At 1 April 2024	4,562	353,078	15,579	3,193	20,613	397,025
Additions	-	7,306	602	276	5,141	13,325
Disposals	-	-	(194)	(600)	-	(794)
Transfers and reclassifications	-	(2,216)	(234)	(16)	2,507	41
Revaluation charged to SoCNE	-	199	(12)	-	-	187
Revaluations	-	8,892	471	10	-	9,373
At 31 March 2025	**4,562**	**367,259**	**16,212**	**2,863**	**28,261**	**419,157**
Depreciation						
At 1 April 2024	-	37,599	10,965	2,324	-	50,888
Charged in year	-	13,903	1,110	303	-	15,306
Disposals	-	-	(193)	(600)	-	(793)
Transfers and reclassifications	-	-	-	-	-	-
Revaluation charged to SoCNE	-	26	(3)	-	-	23
Revaluations	-	1,226	215	3	-	1,444
At 31 March 2025	**-**	**52,754**	**12,084**	**2,030**	**-**	**66,868**
Carrying amount at 31 March 2025	**4,562**	**314,505**	**4,128**	**833**	**28,261**	**352,289**
Carrying amount at 31 March 2024	**4,562**	**315,479**	**4,614**	**869**	**20,613**	**346,137**
Asset financing:						
Owned	4,562	314,505	4,128	833	28,261	352,289
Leased	-	-	-	-	-	-
Carrying amount	-	-	-	-	-	-
at 31 March 2025	**4,562**	**314,505**	**4,128**	**833**	**28,261**	**352,289**

8. Property, plant and equipment (continued)

2023-24	Land £000	Buildings £000	Vehicles, Plant & Machinery £000	Information Technology £000	Assets Under Construct -ion £000	Total £000
Cost or valuation						
At 1 April 2023	4,345	325,537	16,735	3,307	24,618	374,542
Additions	-	(1)	559	86	14,465	15,109
Disposals	-	(511)	(1,937)	(165)	-	(2,613)
Transfers and reclassifications	-	18,403	16	(7)	(18,470)	(58)
Revaluation charged to SoCNE	-	245	(8)	(2)	-	235
Revaluations	217	9,405	214	(26)	-	9,810
At 31 March 2024	**4,562**	**353,078**	**15,579**	**3,193**	**20,613**	**397,025**
Depreciation						
At 1 April 2023	-	23,491	11,530	2,052	-	37,073
Charged in year	-	13,465	1,205	452	-	15,122
Disposals	-	(356)	(1,901)	(165)	-	(2,422)
Transfers and reclassifications	-	-	1	(1)	-	-
Revaluation charged to SoCNE	-	23	(1)	-	-	22
Revaluations	-	978	131	(14)	-	1,093
At 31 March 2024	**-**	**37,599**	**10,965**	**2,324**	**-**	**50,888**
Carrying amount at 31 March 2024	**4,562**	**315,479**	**4,614**	**869**	**20,613**	**346,137**
Carrying amount at 31 March 2023	**4,345**	**302,046**	**5,205**	**1,255**	**24,618**	**337,469**
Asset financing:						
Owned	4,562	315,479	4,614	869	20,613	346,137
Leased	-	-	-	-	-	-
Carrying amount at 31 March 2024	**4,562**	**315,479**	**4,614**	**869**	**20,613**	**346,137**

Land and Property Services (LPS) carried out a full valuation of land and buildings as at 1 April 2021, in accordance with the Royal Institute of Chartered Surveyors Appraisal and Valuation Manual and on a componentised basis. The next full valuation of land and buildings will be 1 April 2026. Indexation is applied between asset revaluations to update the asset register, taking into account the general market in property values and building costs. The indices used for land were set at 0% and for buildings at 2.57% by LPS for 2024-25. Other property, plant and equipment were adjusted to their current value by reference to the appropriate indices compiled by the Office for National Statistics.

9. Intangible assets

2024-25	Software and Licences £000	Assets Under Construction £000	Total £000
Cost or valuation			
At 1 April 2024	4,641	748	5,389
Additions	8	704	712
Disposals	(167)	-	(167)
Transfer and reclassifications	252	(293)	(41)
Revaluation charged to SoCNE	-	-	-
Revaluations	163	-	163
At 31 March 2025	**4,897**	**1,159**	**6,056**
Amortisation			
At 1 April 2024	1,561	-	1,561
Charged in year	524	-	524
Disposals	(167)	-	(167)
Transfer and reclassifications	-	-	-
Revaluation charged to SoCNE	-	-	-
Revaluations	66	-	66
At 31 March 2025	**1,984**	**-**	**1,984**
Carrying amount at 31 March 2025	**2,913**	**1,159**	**4,072**
Carrying amount at 31 March 2024	**3,080**	**748**	**3,828**
Asset financing:			
Owned	2,913	1,159	4,072
Carrying amount at 31 March 2025	**2,913**	**1,159**	**4,072**

Intangible assets are adjusted to their current value by reference to the appropriate indices compiled by the Office for National Statistics.

9. Intangible assets (continued)

2023-24	Software and Licences £000	Assets Under Construction £000	Total £000
Cost or valuation			
At 1 April 2023	4,891	377	5,268
Additions	63	844	907
Disposals	(1,062)	-	(1,062)
Transfer and reclassifications	531	(473)	58
Revaluation charged to SoCNE	-	-	-
Revaluations	218	-	218
At 31 March 2024	**4,641**	**748**	**5,389**
Amortisation			
At 1 April 2023	2,019	-	2,019
Charged in year	536	-	536
Disposals	(1,062)	-	(1,062)
Transfer and reclassifications	-	-	-
Revaluation charged to SoCNE	-	-	-
Revaluations	68	-	68
At 31 March 2024	**1,561**	**-**	**1,561**
Carrying amount at 31 March 2024	**3,080**	**748**	**3,828**
Carrying amount at 31 March 2023	**2,872**	**377**	**3,249**
Asset financing:			
Owned	3,080	748	3,828
Carrying amount at 31 March 2024	**3,080**	**748**	**3,828**

10. Financial assets

Housing Loans Scheme	**2024-25**	**2023-24**
	£000	**£000**
Balance at 1 April	9	11
New Loans	-	-
Repayments	(2)	(2)
Revaluations	-	-
Balance at 31 March	**7**	**9**
Current Assets	3	3
Non-current Assets	4	6
Balance at 31 March	**7**	**9**

As the cash requirements of NIPS are met through the Estimate process, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body.

Under IAS 39 and IFRS 7, NIPS is required to recognise, measure and disclose the elements of its 0% interest Housing Loan Scheme at fair value. These elements have been identified within both Non-current and Current Financial Assets. The carrying value has been discounted at a rate of 2.15% (2023-24: 2.05%). NIPS had 4 loans to officers at 31 March 2025 (4 at 31 March 2024) and does not hold any other financial assets. NIPS is therefore exposed to little credit, liquidity or market risk.

11. Impairments

		2024-25	**2023-24**
	Note	**£000**	**£000**
Charged directly to SoCNE			
Property, plant and equipment	8	(164)	(213)
Intangible assets	9	-	-
		(164)	**(213)**
Taken through Revaluation Reserve			
Property, plant and equipment	8	(7,929)	(8,717)
Intangible assets	9	(97)	(150)
		(8,026)	**(8,867)**
Total charge for the year		**(8,190)**	**(9,080)**

12. Inventories

	2024-25 £000	2023-24 £000
Consumables and equipment	963	886
Fuel stores	292	300
	1,255	**1,186**

13. Cash and cash equivalents

	2024-25 £000	2023-24 £000
Balance at 1 April	(1,980)	(2,201)
Net change in cash and cash equivalent balances	938	221
Balance at 31 March	**(1,042)**	**(1,980)**

The following balances at 31 March were held at :

	2024-25 £000	2023-24 £000
NI banking pool	(1,088)	(2,018)
Cash in hand	46	38
Balance at 31 March	**(1,042)**	**(1,980)**

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

	Note	2024-25 £000	2023-24 £000
Current assets		149	246
Current liabilities	15	(1,191)	(2,226)
Total		**(1,042)**	**(1,980)**

14. Trade receivables, financial and other assets

	2024-25	2023-24
	£000	**£000**
Amounts falling due within one year		
VAT	973	1,125
Trade receivables	31	27
Other receivables	7	6
Prepayments and accrued income	1,082	1,271
	2,093	**2,429**
Amounts falling due after one year		
Other receivables	2	19
	2	**19**
Total	**2,095**	**2,448**

15. Trade payables, financial and other liabilities

		2024-25	2023-24
	Note	**£000**	**£000**
Amounts falling due within one year			
Bank overdraft	13	1,191	2,226
Trade payables		466	31
Other payables		1,090	990
Accruals and deferred income		23,783	29,243
Current part of lease liabilities	17	-	-
Consolidated Funds Extra Receipts to be paid		1	-
		26,531	**32,490**
Amounts falling due after one year		-	**-**
Total		**26,531**	**32,490**

16. Provisions for liabilities and charges

2024-25

	Injury awards £000	Litigation claims £000	Early departure costs £000	Total £000
Balance at 1 April 2024	64,250	8,219	681	73,150
Provided in the year	1,322	4,660	3	5,985
Provisions not required written back	-	(1,533)	-	(1,533)
Provisions utilised in the year	(3,932)	(2,301)	(60)	(6,293)
Provisions borrowing costs	3,210	-	33	3,243
Actuarial (gain)/loss	3,550	-	(83)	3,467
At 31 March 2025	**68,400**	**9,045**	**574**	**78,019**

*Analysis of expected timing of discounted flows**

2024-25

	Injury awards £000	Litigation claims £000	Early departure costs £000	Total £000
No later than one year	3,100	4,522	60	7,682
Later than one year and not more than five years	11,470	4,523	238	16,231
Later than five years	53,830	-	276	54,106
At 31 March 2025	**68,400**	**9,045**	**574**	**78,019**

** The only cash flows shown as discounted in the table above relate to the injury awards as NIPS do not discount other provisions on the basis that the time value of money is considered immaterial and therefore these cash flows are disclosed as undiscounted.*

16. Provisions for liabilities and charges (continued)

2023-24

	Injury awards £000	Litigation claims £000	Early departure costs £000	Total £000
Balance at 1 April 2023	67,410	6,659	751	74,820
Provided in the year	1,162	4,422	2	5,586
Provisions not required written back	-	(1,505)	-	(1,505)
Provisions utilised in the year	(3,062)	(1,357)	(67)	(4,486)
Provisions borrowing costs	2,760	-	30	2,790
Actuarial (gain)	(4,020)	-	(35)	(4,055)
At 31 March 2024	**64,250**	**8,219**	**681**	**73,150**

*Analysis of expected timing of discounted flows**

2023-24

	Injury awards £000	Litigation claims £000	Early departure costs £000	Total £000
No later than one year	2,950	3,096	67	6,113
Later than one year and not more than five years	10,790	4,342	270	15,402
Later than five years	50,510	781	344	51,635
At 31 March 2024	**64,250**	**8,219**	**681**	**73,150**

** The only cash flows shown as discounted in the table above relate to the injury awards as NIPS do not discount other provisions on the basis that the time value of money is considered immaterial and therefore these cash flows are disclosed as undiscounted.*

16. Provisions for liabilities and charges (continued)

16.1 Injury awards - £68.400m (2023-24: 64.250m)

Benefits payable under the Civil Service Injury Benefit Scheme relating to NIPS are charged to NIPS by Civil Service Pensions on a monthly basis. The allowance is payable to the former employee for life. Provision is made for the costs of providing injury awards to employees based on the current number of injury awards, and also on estimated life expectancy of these individuals.

The injury awards are valued under IAS 19 by the Government Actuary's Department (GAD). IAS 19 requires the employer to value the expected injury awards for active members, who may become injured in the future, and include the value in the Accounts. The relevant assumptions underpinning the actuarial valuation of the liability were as follows for both 2023-24 and 2024-25:

- rate of future injury award - 3.5%; and
- current service cost - 6.0%.

The demographic assumptions adopted for the assessment of the liabilities as at 31 March 2025 are those adopted for the 2020 valuation of the PCSPS (NI) since NI Prison Service employees are a member of this pension scheme. The use of the 2020 valuation assumptions is a consistent approach to 2023-24.

The 2020-based population mortality projections allow for the short-term impacts of Covid-19 for 2019 to 2024 in line with the average views of an expert independent panel. The 2022-based population projections consider Covid-19 as a mortality shock event, applying an appropriate short-term adjustment rather than projecting its effects forward. Death rates from Covid-19 in excess of that already allowed for in the mortality assumptions and reflected in the membership data would emerge as an experience gain in future years' accounts.

16. Provisions for liabilities and charges (continued)

16.1 Injury awards - £68.400m (2023-24: £64.250m)

The split of the provision is shown below:

	2024-25 £000	2023-24 £000
Liability in respect of:		
Active members	9,390	8,170
Pensions in payment (injury awards)	59,010	56,080
Total	**68,400**	**64,250**

Key financial assumptions:

	2024-25 %	2023-24 %
Rate of discounting scheme liabilities	5.15%	5.10%
Rate of CPI inflation	2.65%	2.55%
Pension increase awarded	2.65%	2.55%
Long-term rate of increase in salaries	3.40%	3.55%

Key demographic assumptions:

	2024-25 Years	2023-24 Years
Average expected future life at age 65 for:		
Male currently aged 65	21.4	21.4
Female currently aged 65	22.8	22.5
Male currently aged 45	22.9	23.2
Female currently aged 45	24.3	24.1

Incidence of injury awards:

	2024-25 %	2023-24 %
Liability (proportion of liability of active members in respect of non-injury Pension Scheme benefits)	3.5%	3.5%
Current service cost (proportion of current service cost in respect of main Pension Scheme benefits)	6.0%	6.0%

16. Provisions for liabilities and charges (continued)

16.1 Injury awards - £64.800m (2023-24: £64.250m)

Analysis of movement in scheme liability:

	2024-25	2023-24
	£000	£000
Net deficit at 1 April	64,250	67,410
Current service cost	970	980
Past service cost	350	200
Net interest on the net defined benefit liability	3,210	2,760
Benefits paid (recurring element)	(3,580)	(2,880)
Benefits paid (lump sums)	(350)	(200)
Re-measurements of the net defined liability	3,550	(4,020)
Net deficit at 31 March	**68,400**	**64,250**

Re-measurements of the liability can be further analysed as:

	2024-25	2023-24
	£000	£000
Experience (gains) and losses arising	3,620	3,650
Changes in financial assumptions	260	(7,670)
Changes in demographic assumptions	(330)	-
Re-measurements of the liability	**3,550**	**(4,020)**

Sensitivity analysis - sensitivity to changes in assumptions*

Assumption	Sensitivity	Approximate effect on total liability	
		%	£000
Financial assumptions:			
Discount rate	+0.5% p.a.	(6.4)%	(4,400)
Salary inflation	+0.5% p.a.	0.2%	200
Pension increases	+0.5% p.a.	6.3%	4,300
Demographic assumptions:			
Additional 1 year increase in life expectancy at retirement		2.5%	1,700

** Opposite changes in the assumptions will produce approximately equal and opposite changes in the liability. Doubling the changes in the assumptions will produce approximately double the change in the liability. The sensitivities show the change in assumption in isolation. In practice such assumptions rarely change in isolation and given the interdependencies between the assumptions the actual impact may be different from simply combining the changes above.*

16. Provisions for liabilities and charges (continued)

16.2 Litigation claims - £9.045m (2023-24: £8.219m)

Legal cases

The litigation provision relates to legal claims against NIPS by staff, prisoners and third parties for injuries and other damages including fair employment and industrial tribunal cases. The provision reflects all known claims where it is considered that it is probable that the claim will be successful and the amount can be reliably estimated. The timing of the settlement of claims depends on the circumstances of each case.

Holiday pay

The Court of Appeal (CoA) judgment from 17 June 2019 (PSNI v Agnew) determined that claims for Holiday Pay shortfall can extend as far back as 1998. However, the PSNI appealed the CoA judgment to the Supreme Court. The hearing was held in December 2022 and the judgment 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:

- lack of accessible data for years previous to 2011; and
- ongoing negotiations with Trade Unions and their legal representatives.

Hearing loss

The hearing loss provision relates to claims from current and ex-prison officers for occupational hearing loss. The provision reflects claims up to March 2025 - the number of claims likely to be received in the future is uncertain and cannot be reliably estimated. Each case will be considered on its own merits and any settlement based on the severity of hearing loss.

16.3 Early departure costs - £0.574m (2023-24: £0.681m)

This provision relates to pension costs associated with the early departure of staff and benefits payable in respect of loss of earning capacity (or loss of support in respect of a death). The pension costs are payable to NILGOSC over the lifetime of the retired staff member and his/her spouse (where applicable).

17. Leases - Right of use assets

17.1 Right of use assets

The Agency did not enter into any finance lease obligations during 2024-25 that required recognition as a right of use asset in accordance with IFRS 16. The previously held finance lease in relation to Dundonald House was terminated in March 2024.

17.2 Lease payments not recognised as a liability

The table below shows details of short term leases (leases of 12 months or less) or leases for low values assets. Payment for such leases are expensed on a straight-line basis and are included as an expense in the Statement of Comprehensive Net Expenditure.

	2024-25	2023-24
	£000	£000
Variable lease payments not included in lease liabilities	-	-
Short term leases	31	-
Expense relating to low-value asset leases	83	46
Total	**114**	**46**

17.3 Lease amounts recognised in the cash flow statement

	2024-25	2023-24
	£000	£000
Total cash outflow for leases	**-**	**121**

18. Capital commitments

	2024-25	2023-24
	£000	£000
Contracted capital commitments at 31 March not otherwise included in these accounts:		
Property, plant and equipment	6,623	6,681
Intangible assets	-	-
	6,623	**6,681**

19. Other financial commitments

The Agency has entered into non-cancellable contracts (which are not lease or PFI contracts) and funding agreements for grant expenditure. Total future commitments are shown in the table below analysed according to the period in which the payments fall due.

19. Other financial commitments (continued)

	2024-25 £000	2023-24 £000
Not later than one year	3,737	2,076
Later than one year and not later than five years	-	-
Later than five years	-	-
	3,737	**2,076**

20. Contingent liabilities

At the year end NIPS has estimated contingent liabilities of £5.5m (2023-24: £5.5m) in respect of litigation claims against NIPS. This relates to a legal claim by former staff for fair employment, industrial tribunal and court proceedings. There are also a number of legal claims against NIPS by staff, prisoners and third parties for injuries and other damage. These have not been provided for in the financial statements as NIPS considers that it is not probable that they will be successful.

Public Sector Pensions - injury to feelings claims

The Department of Finance (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 (NICS) Departments. This is an extremely complex case with potential implications for the NICS and wider public sector. However the cases are still at a very early stage of proceedings and until there is further clarity on potential scope and impact, a reliable estimate of liability cannot be provided.

21. Related party transactions

NIPS is an Executive Agency of the Department of Justice. During the year, NIPS had various material transactions with the Core Department and other agencies within the Department including Forensic Science Northern Ireland, Northern Ireland Courts and Tribunals Service and Youth Justice Agency.

NIPS also had various material transactions with other entities for which the Department of Justice is regarded as the parent Department including Police Service of Northern Ireland, Probation Board for Northern Ireland and Northern Ireland Policing Board.

In addition NIPS had various material transactions with other government Departments and other central government bodies. Most of these transactions have been with the Department of Health and Department of Finance. No Board member, key manager or other related parties has undertaken any material transactions with NIPS.

22. Third-party assets

There is a Prisoners' Personal Cash (PPC) facility for the lodgement of prisoner earnings and funding of tuck shop purchases. When prisoners are discharged they are paid in full the balance on their PPC account.

Each Prison Establishment administers a Prisoners' Amenities Fund. Payments from the fund are used for the welfare/benefit of all prisoners. Fund receipts include income from the sale of tuck shop items and donations.

	1 April 2024	Gross Inflows	Gross Outflows	31 March 2025
	£000	£000	£000	£000
Monetary assets such as bank balances and balances on deposit:				
Prisoners' Private Cash Accounts	239	5,152	(5,161)	230
Prisoners' Amenities Funds	204	180	(172)	212
	443	**5,332**	**(5,333)**	**442**

23. Events after the reporting period

There were no events after the reporting period date that required adjustment to or disclosure in these financial statements.

Date authorised for issue

The Accounting Officer authorised these financial statements for issue on 3rd July 2025.