

**27 February 2026**  
**By email**

Dear Minister O'Dowd,

### **Multi-Year Budget Approach**

I am writing on behalf of Carnegie UK in response to the consultation on the Draft Budget 2026–2029/30. We welcome the Executive's decision to consult on a multi-year budget and support the direction of travel set out in your proposals.

Carnegie UK is an independent public policy foundation working across the UK and Ireland to improve collective wellbeing. We work with governments, policymakers and partners to strengthen the evidence base for long-term decision-making and to support practical changes in how policy is designed, funded and delivered. Our work focuses on helping ensure that public policy is shaped by what matters most to people, now and in the future.

The decision to bring forward a multi-year budget represents an important and positive step. As you have set out, greater certainty over funding can support longer-term planning, provide a more stable environment for public services, and help create the conditions for transformational change at a time of significant fiscal constraint.

We particularly welcome the clarity in the consultation about the scale of the challenge facing Northern Ireland's public services, including rising demand, cost pressures and the limits of available funding. Acknowledging these realities openly is an essential foundation for constructive debate and shared ownership of difficult choices. From our perspective, moving away from annual budget cycles is a practical and necessary response to these challenges, and one that aligns with international best practice.

Northern Ireland is well positioned to use a multi-year budget as a catalyst for change. The Executive's adoption of the Doing What Matters Most framework provides a shared set of priorities that reflect what people value and where progress is most needed. The key opportunity now is to ensure that the budget process actively supports the delivery of those priorities. We offer the following suggestions in the spirit of supporting the Executive to maximise the impact of this approach.

#### **Aligning spending clearly with outcomes**

A multi-year budget provides the space to show how spending decisions contribute to the outcomes and priorities set out in Doing What Matters Most. We encourage the Executive to use this budget to make those connections as visible as possible, demonstrating how allocations across departments support shared outcomes over the medium term. This can help strengthen coherence across government and provide a clearer narrative for the public about how resources are being used to improve lives.

#### **Supporting prevention and early intervention**

**Carnegie United Kingdom Trust**

**Chair**  
David Emerson CBE

**Chief Executive**  
Sarah Davidson

International evidence – [collated in a recent report by Carnegie UK](#) - consistently shows that short-term annualised budgeting makes it difficult to invest in prevention and early intervention, even where the long-term case is strong. A multi-year settlement offers a valuable opportunity to begin shifting the balance upstream, supporting approaches that can reduce pressure on services over time. Even modest steps in this direction can help signal a longer-term shift in how public money is used.

### **Taking a longer-term view of costs and benefits**

We welcome the Executive's focus on transformation and different ways of delivering services. As this work develops, there is an opportunity to strengthen how long-term costs and benefits are considered in budget decisions, including how investment today may reduce future demand on acute services. International experience suggests that taking a more holistic view of costs can support better decisions and greater confidence in reform.

### **Strengthening analysis to support good choices**

Difficult choices are inevitable in the current fiscal context. Tools such as wellbeing-informed appraisal and impact assessment can help support those choices by making trade-offs clearer and linking decisions more explicitly to evidence and outcomes. Over time, embedding such approaches within budget processes can strengthen transparency and accountability, both within government and with the public.

### **Enabling collaboration across government**

The Executive has been clear that many of its priorities cannot be delivered by departments acting in isolation. A multi-year budget provides an opportunity to reinforce collaboration by supporting activity against shared outcomes and encouraging joint ownership of delivery. This can help translate the ambitions of a mission-driven and wellbeing-focused approach into everyday practice.

### **Maintaining public confidence and trust**

Carnegie's [Life in the UK 2025 report](#) for Northern Ireland highlights the persistence of economic hardship, inequality and low democratic wellbeing for many people in the jurisdiction.

We welcome the Executive's recognition that transformation is necessary, and we see the multi-year budget as an opportunity to communicate clearly with the public about priorities, trade-offs and progress over time. Being open about challenges, while demonstrating steady movement towards outcomes that matter to people, can help rebuild confidence in public decision-making.

Our research looking at the [public's attitudes to the UK tax systems](#) underlines the challenge to rebuild trust in UK public finance systems, but we believe an important step in addressing this problem is educating the public in how our tax and spending systems work.

### **Looking ahead: supporting long-term change**

International experience also shows that wellbeing-aligned budgeting is not achieved through a single change, but through a series of connected reforms sustained over time. Looking beyond this Draft Budget, we encourage the Executive to consider:

- setting out a clear pathway for embedding Doing What Matters Most across budgeting, appraisal and delivery processes;
- continuing to invest in the culture, skills, capability and leadership needed to support new ways of working; and

- maintaining a commitment to multi-year approaches that reduce reliance on short-term crisis management and support continuous improvement.

Carnegie UK welcomes the Executive's commitment to a multi-year budget and the constructive tone of this consultation. We see this as a significant opportunity to strengthen alignment between resources, outcomes and long-term priorities, even within a very challenging fiscal environment.

We would be pleased to continue engaging with the Executive and the Department of Finance as this work progresses, including sharing international learning on how public finance systems can support long-term wellbeing and effective reform.

We look forward to ongoing dialogue as the consultation concludes and the focus turns to implementation. We had the pleasure of presenting the results of our Life in the UK 2025 report for Northern Ireland to Ministers Bunting and Reilly in Stormont recently and it would be our privilege to work with your team again.

Yours sincerely,

Sarah Davidson



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