Northern Ireland Assembly

Northern Ireland Assembly Commission
Annual Report and Accounts
For the year ended 31 March 2021

Laid before the Northern Ireland Assembly by the Department of Finance under section 10(4) of the Government Resources and Accounts Act (Northern Ireland) 2001

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Report and Accounts for the year ended 31 March 2021

The Northern Ireland Assembly Commission presents its Annual Report and Accounts for the year ended 31 March 2021.

PERFORMANCE REPORT - Performance Overview

This overview is intended to provide a summary of the performance of the Northern Ireland Assembly Commission (the Commission) for the reporting year. It is aimed at giving sufficient information to users of the Annual Report and Accounts so that they may gain an understanding of the organisation, its purpose, the key risks it faces and how it has performed during the year.

Statutory basis for the Commission

The Commission is the corporate body which provides the Northern Ireland Assembly (the Assembly), or ensures that the Assembly is provided with the property, staff and services required for the Assembly's purposes. The Commission is established under section 40 of the Northern Ireland Act 1998.

The Commission comprises the Speaker and five other members of the Assembly who are responsible for representing the interests of the Assembly and its elected Members. The Commission has appointed a Clerk/Chief Executive in accordance with schedule 5 of the Northern Ireland Act 1998, and other staff of the Assembly.

The Commission is independent of the Northern Ireland Executive. The Commission considers and makes decisions on a wide range of issues to do with the running of the Assembly, the provision of accommodation and the delivery of supporting services in Parliament Buildings.

Principal Activities

Although funded from the Northern Ireland Block Grant, the Commission is not answerable to a Northern Ireland Executive Minister. Similarly, the Commission does not contribute to the Northern Ireland Executive's (the Executive's) Programme for Government nor does it develop Public Service Agreement targets.

The Commission's performance targets and the associated outputs are those that are developed internally to continually enhance the delivery of services to the Assembly. The Commission has a Corporate Strategy 2018-23 (the Corporate Strategy) which guides its work.

Key Aims and Objectives

The Corporate Strategy has a strategic focus. It sets out an ambitious and innovative approach to the improvements and developments that will be prioritised by the Commission in support of the Assembly. It also outlines a small number of Aims and objectives that capture the wide variety of interdependent roles and responsibilities of the Secretariat. The Corporate Strategy assists in determining and allocating resources, whilst ensuring value for money.

The Corporate Strategy is influenced by four common elements:

- **People**: *Every business area relies upon the commitment, skills and expertise of our people;*
- **Culture**: *Every business area is influenced by the principles which underpin the support of a legislature, including accountability and political sensitivity;*
- **Engagement**: *Every business area is impacted by the fact that the Assembly is elected to represent the public; and*
- **Services:** *Every business area should continually seek better and more efficient ways to meet the needs of our customers while providing value for the public purse.*

The Corporate Strategy sets out an overarching vision of "*Excellence, expertise and innovation in support of the Northern Ireland Assembly as a legislature which is accessible to the public it represents*." This vision is distilled into four Strategic Aims:

1. ***Investing*** *in the development, expertise, and well-being of our people.*

2. ***Building*** *excellence and innovation in our services.*

3. ***Strengthening*** *engagement with the public.*

4. ***Developing*** *a confident legislature with a strong parliamentary culture.*

The Corporate Strategy recognises that while staff have different roles, they are working towards shared and common goals. No matter what their individual responsibilities are, as one team they will demonstrate:

- ***Professionalism*** *in everything we do;*

- ***Respect*** *for each other, Members and the public; and*

- ***Impartiality and integrity*** *in all our work.*

The Corporate Strategy seeks to deliver:

- *High levels of satisfaction among Members, stakeholders and visitors;*

- *Enhanced understanding of the role and the work of the Assembly; and*

- *Skilled and motivated people.*

While the Corporate Strategy establishes an overarching framework for the delivery of objectives, the corporate planning process translates the Strategic Aims of the Corporate Strategy into corporate and annual plans with a series of actions, targets and milestones assigned to each action.

In addition to the Corporate Strategy, a Corporate Plan for 2019-23 (the Corporate Plan) has been developed that sets out the key projects and priorities the Commission intends to deliver up to March 2023 to underpin the Corporate Strategy. A detailed Annual Plan for

2020-21 was developed from the Corporate Plan to establish specific and measurable targets for 2020-21.

Principal risks and uncertainties

The Annual Report and Resource Accounts have been prepared in the context of the resumption of normal Assembly business in January 2021 and the impacts of the COVID-19 pandemic during 2020-21.

The Commission has effectively and rigorously monitored and implemented the Coronavirus Regulations and guidance issued by the Executive to manage the risk of COVID-19 infection across all of its operations. While established risk management processes have been used, significant additional measures have also been put in place to enable the Assembly to carry out all its business despite the prevailing public health situation. These measures included the development of business area risk assessments. Where this operating environment has a direct impact on the delivery of corporate targets, this has been considered in the Corporate Risk Register.

The principal risks to the Commission are identified and managed through a risk management regime. The principal responsibility for the management of risk falls to the Secretariat Management Group (SMG) through a comprehensive Risk Management Strategy. Further details on the role and composition of SMG is provided in the Management Structures section within the Director's Report commencing at page 16.

SMG is responsible for both the corporate planning process and the implementation of the Risk Management Strategy. Therefore, the ongoing corporate planning process and the administration of the Risk Management Strategy provide a strong emphasis on the identification and management of risks.

The Risk Management Strategy is reviewed annually by SMG. Further details on the Commission's capacity to handle risk, the risk and control framework within which the Commission operates and a review of the effectiveness of the system of internal control are provided in the Governance Statement on pages 21 to 30.

Chief Executive's Performance Overview

I would like to thank staff for their commitment, dedication and sheer hard work to deliver continuous, consistently high-quality services to the Assembly during this extremely challenging year.

The swift resumption of normal Assembly business following the formation of the Executive on 11 January 2020 was shortly followed by the onset of the COVID-19 pandemic. Like all parts of society, this presented challenges to the Commission as it supported the work of the Assembly.

The Commission ensured strict adherence to all Coronavirus Regulations and guidance issued by the Executive. This included facilitating the remote participation in Assembly business by Members as well as a comprehensive programme of home-working for staff where it was possible to do so.

The development of the Corporate Plan recognised that once the Assembly resumed its normal business, a number of planned activities would have to be paused in order to support the Assembly. While this, alongside the onset of the COVID-19 pandemic, was considered as part of the development of the Annual Plan 2020-21, the impact and duration of COVID-19 could not have been foreseen and therefore had a significant impact on the nature of, and activities that, could be delivered during the year.

Of the 39 targets set out in the Annual Plan 2020-21, 21 (53.9%) were fully achieved and 13 (33.3%) were partially achieved. During the year, 5 of the targets (12.8%) were not achieved.

Responding to COVID-19 required significant effort in its own right and a large number of additional projects had to be undertaken in order to protect the health and safety of staff and building users during the year and to enable Assembly and Commission business to continue virtually uninterrupted throughout the pandemic. While these were not contained in the Annual Plan 2020-21, they were nevertheless vital to the smooth running of the organisation and staff are to be congratulated for the innovation, dedication and long hours that were put in to deliver these.

The Commission's budget for 2020-21 was scrutinised by the Audit Committee on 4 March 2020 and then voted on by the Assembly on 16 March 2020. The Assembly resolved that the Commission's Resource DEL budget for 2020-21 should be £44.847 million and £1.093 million Capital DEL.

This budget represented a significant increase from the 2019-20 budget of £36.148 million for Resource DEL and £1.000 million for Capital DEL. The increase in Resource DEL reflected the resumption of normal Assembly business and the fact that the salaries payable to Members increased from the reduced levels that were payable under the Assembly Members (Salaries and Expenses) (Present period when there is no Executive) Determination (Northern Ireland) 2018 upon resumption of normal business in January 2020. The increase also took account of a planned programme of recruitment of staff to fill the vacancies that had occurred during the period when the Assembly was not carrying out its normal business.

During the reporting period, the Commission's budget was revised to meet an increase in costs that resulted from the publication by the Commission of the Assembly Members (Salaries and Expenses) (Amendment) Determination (Northern Ireland) 2020 on 27 August 2020. This Determination, which followed the conferral by the Assembly of the function of making Determinations in respect of Members' allowances to the Commission on 30 June 2020, amended the provisions of the Assembly Members (Salaries and Expenses) Determination (Northern Ireland) 2016 (the 2016 Determination) mainly in relation to the terms and conditions of employment for Members' staff.

The impact of COVID-19 for much of the year meant that the substantial planned programme of recruitment could not proceed as quickly as anticipated. In addition, the interruption to supplies and suppliers during the year meant that a number of initiatives and projects could not be completed.

The combined impact of these factors was that Commission's final Resource DEL budget position for 2020-21, as recorded in the Spring Supplementary Estimate (SSE) position, was £45.081 million with £0.970 million for Capital DEL. The SSE position for Annually Managed Expenditure (AME) was £2.700 million.

As set out in the Statement of Outturn against Assembly Supply - note 1, the final outturn for Resource DEL for the Commission was £42.160 million; £2.921 million less than the SSE position of £45.081 million. The outturn for AME was £0.408 million; £2.292 million less than the SSE position of £2.700 million. The outturn for Capital DEL was £0.929; £0.041 million less than the Capital DEL allocation of £0.970 million.

The effectiveness and initiative of the staff in dealing with the resumption of Assembly business and dealing with the uncertainties and complexities of the COVID-19 pandemic has been outstanding.

Performance Summary – Targets

The work of the Commission is guided and directed by the Strategic Aims contained within the Corporate Strategy and by the high level and strategic actions contained in the Corporate Plan.

The Annual Plan 2020-21 set out the detailed activities the Assembly Commission intended to progress during 2020-21 to deliver the Corporate Plan, but the context in which the Annual Plan 2020-21 was developed is important.

The Assembly resumed normal business on 11 January 2020 so re-establishing and supporting the work of Assembly plenary and committees was an overriding priority for 2020-21. In addition, at the beginning of 2020-21, it became clear that COVID-19 was going to have a significant impact on the nature of the activities that could be delivered during the year. Responding to COVID-19 required significant effort in its own right and consequences such as social distancing, home working and the closure of Parliament Buildings to visitors and for events all had implications for how the Commission delivered its services to the Assembly.

The Annual Plan 2020-21 did not seek to encapsulate all of the important activities and tasks that were required to ensure the smooth operation of the Assembly on a daily basis. These activities and task represented our "business as usual" and were guided by objectives and service standards at a business area level.

A large number of significant, additional projects had to be undertaken during the year to deliver Assembly business throughout the pandemic. While these additional actions and projects were not contained in the Annual Plan 2020-21, they were nevertheless vital to the smooth running of the organisation and the Commission is extremely grateful to staff and contractors for the delivery of these.

The Annual Plan 2020-21 contained 39 targets of which 21 were fully achieved, 13 were partially achieved and 5 were not achieved. This performance is summarised in the table below.

	Targets Status (Number)	Target Status (%)
Fully Achieved	21	53.9
Partially Achieved	13	33.3
Not Achieved	5	12.8

The targets that were delivered during 2020-21 covered a wide range of important activities against all four Corporate Strategy Strategic Aims. For example, despite the challenges posed by COVID-19:

- New approaches to virtual working, recruitment and selection, internal communications and health and well-being were implemented.
- Effective plans were put in place to ensure that the highest quality of service to the Assembly would be delivered during the final year of the Assembly mandate in 2021-22;

- Work progressed on proposals to improve the physical working environment for all users of Parliament Buildings; and
- Considerable progress was made on a long-standing target to establish a Youth Assembly.

For those targets that were partially achieved, the impact of COVID-19 restrictions and the Commission's adherence to the Executive's Regulations and guidance on working from home had an inevitable impact. However, for many of these targets, significant progress was made during 2020-21 with an expectation that the remaining elements will be delivered in 2021-22.

The impact of the resumption of Assembly business, the consequent impact on the allocation of staffing resources and the delays to recruitment caused by COVID-19 contributed to the delay in meeting 4 of the 5 targets that were not achieved. However, that impact was envisaged when the Annual Plan 2020-21 was devised and these targets have been carried forward to 2021-22. For the remaining target that was not achieved, a later than anticipated appointment of an external supplier via a procurement exercise contributed to this delay but considerable progress has been made on this target in the early stages of 2021-22.

Performance Summary – Financial Performance

The Commission's main areas of spend during 2020-21 continued to be the costs of the salaries paid to staff, the payments to Members either by way of salary or through the system of allowances payable to Members and the administration running costs that are needed to maintain Parliament Buildings and deliver the wide range of services required by the Assembly.

The financial impact arising from COVID-19 (or, indeed, from the UK's exit from the EU) was minimal in both 2019-20 and 2020-21 and related to the provision of additional laptop computers and equipment to facilitate remote participation in Assembly and committee business, an enhanced cleaning regime, the installation of screens and protective barriers and the acquisition of sanitiser, face coverings and associated equipment was incurred. The funding for this expenditure came from the amounts voted to the Commission through the Main Estimates and the SSE. The Commission did not avail of any additional COVID-19 funding.

The final total outturn for the year was £42.621 million against an allocation of £47.836 million when compared to the SSE position. The Capital outturn was £0.929 million against a SSE allocation of £0.970 million. This is summarised in the table overleaf.

The outturn for the Net Cash Requirement (excluding Capital) was £39.389 million, against an SSE allocation of £42.461 million. This is shown in the Statement of Outturn against Assembly Supply at page 47.

	Outturn	SSE	Under/(over)	Under/(Over)
	£'000	£'000	£'000	%
Income	(145)	(149)	(4)	2.7%
Resource DEL	42,305	45,230	2,925	6.5%
AME	408	2,700	2,292	84.9%
Non-budget notional costs	53	55	2	3.6%
Net Resources	**42,621**	**47,836**	**5,215**	**10.9%**
Capital	**929**	**970**	**41**	**4.2%**

The above variances arose across a number of expenditure categories. The Commission's budget, as reported in the SSE, is not split by expenditure type but the Commission further analyses its overall budget into a number of broad expenditure categories for internal budgetary purposes. The breakdown of outturn by category is set out in the table below and, for comparison purposes, a breakdown of the SSE position is provided for each category.

Expenditure Category	Outturn	SSE	Performance Against SSE Under / (Over)	Performance Against SSE Under / (Over)
	£'000s	£'000s	£'000s	%
Income	(145)	(149)	(4)	2.7%
Secretariat Salaries	19,017	19,368	351	1.8%
Admin Costs	4,561	4,933	372	7.5%
Members' Salaries	6,668	6,672	4	0.1%
Members' Other Costs	47	49	2	4.1%
Members' Travel	282	293	11	3.8%
Constituency Costs (incl. staff)	8,074	9,900	1,826	18.4%
Party Allowance	631	725	94	13.0%
Depreciation & Impairment	3,025	3,290	265	8.1%
Total Resource DEL	**42,160**	**45,081**	**2,921**	**6.5%**
AME – Members' Pension Finance Costs	400	2,700	2,300	85.2%
AME – Provisions Other	8	-	(8)	(100.0%)
Notional Costs – Audit Fee	53	55	2	3.6%
Net Resources	**42,621**	**47,836**	**5,215**	**10.9%**
Capital	929	970	41	4.2%

Further analysis is provided for items where the variation between the Outturn and the SSE position is greater than ±£0.250 million or the percentage difference is greater than ±5.00%.

For Secretariat Salaries, the SSE position was submitted in late November 2020 in the expectation that further progress could be made to deliver the Commission's programme of planned recruitment to fill vacant posts across the Secretariat. However, the significant COVID-19 restrictions that came into place after Christmas 2020 and, in effect, lasted until the end of the reporting period meant that there was a shortfall in anticipated expenditure of £0.351 million (1.8% of the SSE position).

Admin Costs cover the running costs that are typically incurred in Parliament Buildings in providing services to the Assembly. These costs were £0.372 million (7.5%) below the estimated made when constructing the SSE. This underspend was largely generated by less progress and less expenditure on Private Members' Bills and on lower than expected recruitment-related costs.

The most significant variance arose in respect of Constituency Costs (incl. staff). This category of costs includes the range of allowances payable to Members to run constituency offices and employ staff. During the year, the Commission published the Assembly Members (Salaries and Expenses) (Amendment) Determination (Northern Ireland) 2020. This Determination improved the terms and conditions of employment and salaries for Members' support staff, which had remained frozen since 2016 and enabled Members to engage additional staffing support.

Due to COVID-19, Members were unable to undertake the anticipated levels of recruitment resulting in an under-utilisation of staffing allowances. In addition, the closure and subsequent cautious re-opening of Members' constituency offices meant that a significant underspend of £1.826 million (18.4%) arose.

Party Allowance covers the costs incurred by the Commission when making payments to political parties represented in the Assembly under the Financial Assistance for Political Parties Scheme 2016. These payments are made to parties to enable them to provide assistant to their Members to carry out their Assembly duties but, during the year, the assistance that is available was not fully utilised by £0.094 million (13.0%).

For Members' Pension Finance Costs in AME, a variance of £2.300 million (85.2% of the SSE position) arose due to a credit recorded in the current year relating to Past Service Cost (with a consequent impact of £2.100 million). This credit was a result of further information on the McCloud remedy which is likely to restrict the Members who will be within the scope of the remedy (see page 35 for further information). For Provisions Other (also in AME), an additional £0.008 million was provided for in respect of a contractual matter. This was not anticipated when the SSE was prepared.

Policy on payment of suppliers

The Commission is committed to prompt payment of bills for goods and services. The current policy is to comply with the Confederation of British Industry's Prompt Payers' Code. Unless otherwise explicitly stated in a contract payment is due within 30 days after delivery of the invoice or the goods or services, whichever is latest.

During 2020-21 the Commission paid 97.7% of bills, without queries, within this standard (2019-20; 98.7%).

In addition to this the Commission has sought to comply with Department of Finance's

(DoF's) initiative to pay all supplier invoices within a suggested target of 10 days. During 2020-21, 91.5% of invoices were paid within 10 days of being received (2019-20; 95.2%).

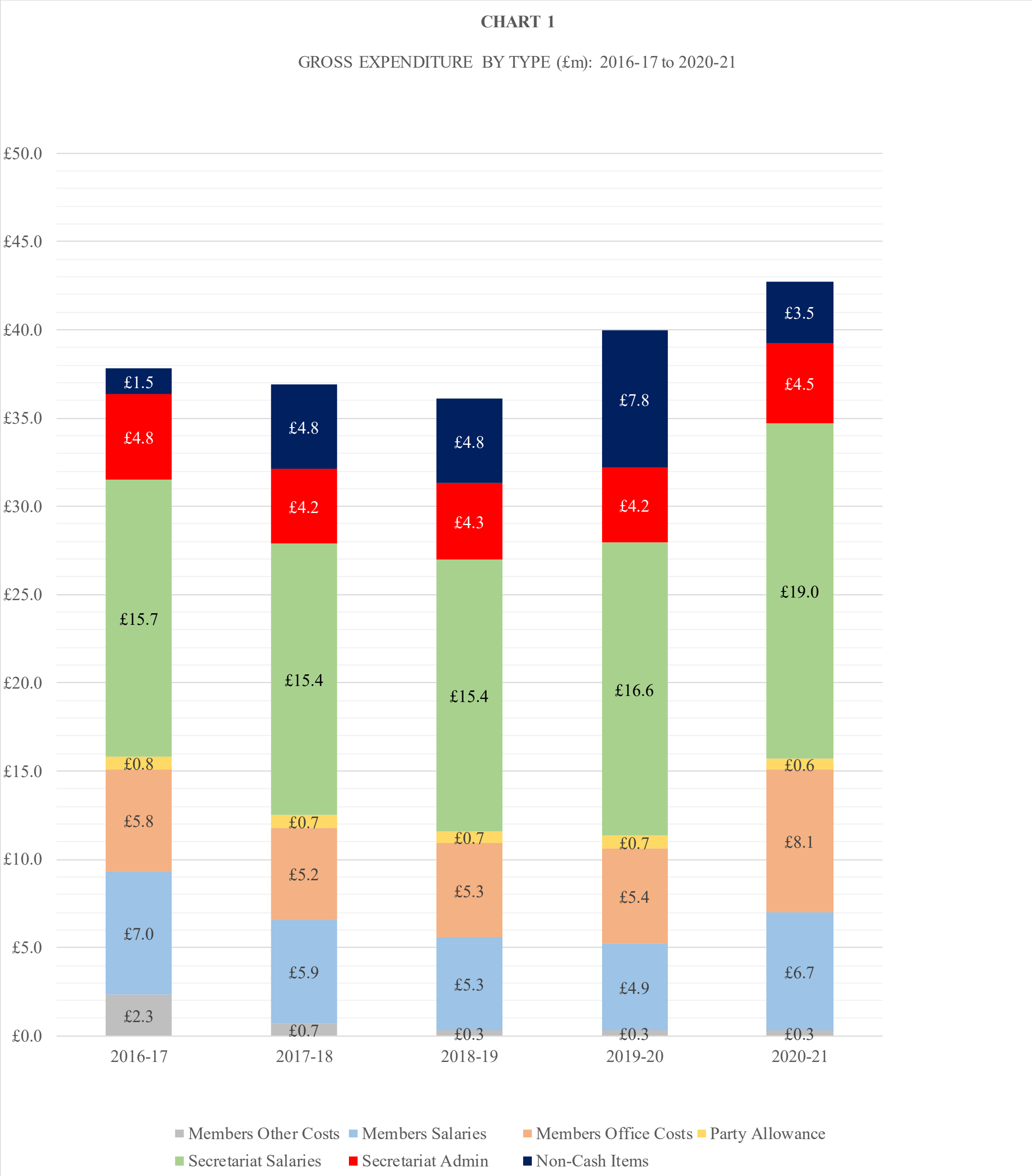
The Commission made no payment of interest under the Late Payment of Commercial Debts (Interest) Act 1988 during the year ended 31 March 2021.

Trend data

Given that the Assembly only resumed normal business on 11 January 2020 after a three-year hiatus in its activities and the atypical nature of 2020-21 due to COVID-19, trend data for performance targets is not included. The last broadly comparable year for parliamentary activity was 2016-17 when the Commission had a different corporate planning regime.

Summary financial trend data is provided but this does not reflect a steady state operating environment for the five years that are shown. As noted above, the activity levels for 2020-21 have been affected by COVID-19 and led to a decrease in expenditure as opposed to an increase in expenditure. Also, the fact that the Assembly was not operating as normal for all of the 2017-18 and 2018-19 financial years and for the majority of the 2019-20 financial year, means that trend data is of limited utility.

Chart 1 overleaf shows the Commission's gross expenditure for the past five years. This expenditure includes all items included in the Statement of Comprehensive Net Expenditure, but excluding any net gain or loss on the actuarial valuation of the Assembly Members' Pension Scheme, on the revaluation of Property, Plant and Equipment or the net gain or loss on revaluation of Intangibles.



Non-Cash Items includes depreciation, impairment of assets, notional costs, provisions and Members' Pension Finance costs. See Note 5 to the Accounts. 2016-17 also includes a Prior Period Adjustment in relation to Members' Pensions.

Signed:

Lesley Hogg
Accounting Officer
Clerk/Chief Executive
Date: 24 June 2021

ACCOUNTABILITY REPORT

Corporate Governance Report

The purpose of the Corporate Governance Report is to explain the composition and organisation of the Commission's governance structures and outline how these structures support the achievement of the Commission's objectives.

Directors' Report

The Commission and the Accounting Officer

The statutory basis for the Commission is provided in the Performance Report: Overview starting at page 4.

The Speaker is chairperson of the Commission. The membership of the Commission and the percentage attendance at meetings is given below:

Role	Name	Percentage of Meetings attended
Chairperson	Alex Maskey MLA	100%
Member	Keith Buchanan MLA	100%
Member	John O'Dowd MLA	100%
Member	Dolores Kelly MLA	100%
Member	Robbie Butler MLA	100%
Member	John Blair MLA	100%

Eleven meetings were held during the year.

The work of the Commission is detailed in the Governance Statement on pages 21 to 30.

As Clerk to the Assembly, Lesley Hogg is the principal adviser to the Assembly. As well as advising the Speaker and office holders on procedural matters, and the Commission on corporate matters, she is Chief Executive of the Commission and Accounting Officer for the Commission's resources.

The Management Structure

The Commission has a two-tier management structure. While the Commission has the legislative authority to provide the Assembly with the wide range of services needed by it, the day-to-day delivery of those services is achieved through a formal delegation to the Clerk/Chief Executive. A copy of the letter of delegation is attached at Annex A at page 88.

The work of all Commission staff is organised and monitored by SMG. SMG is chaired by the Clerk/Chief Executive and comprises the Director of Corporate Services, the Director of Legal, Governance and Research Services and the Director of Parliamentary Services.

SMG has responsibility for the delivery of the work of the Commission. This includes responsibility for ensuring effective corporate governance in the Commission and ensuring that staff are equipped to fulfil their role in supporting Members in carrying out their Assembly functions. SMG meets monthly to consider progress on strategic and key management issues.

Membership of SMG (Twelve meetings held):

Role	**Name**	**Percentage of Meetings attended**
Clerk/Chief Executive	Lesley Hogg	100%
Director of Corporate Services	Richard Stewart	100%
Director of Legal Governance & Research Services	Tara Caul	100%
Director of Parliamentary Services	Gareth McGrath	100%

For the purposes of this report, corporate governance arrangements have been applied to SMG, which is charged with the delivery of the services on behalf of the Commission.

The Remuneration and Staff Report within this Annual Report and Accounts contains information about the salary and pension entitlements of Commission Members and SMG. Claims for reimbursement of expenses are published quarterly on the Assembly website, which can be viewed at

http://www.niassembly.gov.uk/about-the-assembly/corporate-information/principal-officers-and-officials/directors-expenses/

The appointments of Directors to SMG are held on a continuing basis.

Register of interests

Commission Members are appointed to the Commission by the Assembly from its membership. The Assembly's Standing Order 69 (1) requires that a Register of Members' interests be established, published and made available for public inspection. Following the Assembly election on 2 March 2017, a Register of Members' Interests for the sixth Assembly mandate was established. This Register is continuously updated. The latest version of the Register can be viewed at:

http://www.niassembly.gov.uk/your-mlas/register-of-interests/

A Register of Interests is also maintained for SMG. This Register is continually updated by SMG members and reviewed formally on an annual basis. The last review was undertaken in March 2021. The latest version of the Register can be viewed at:

http://www.niassembly.gov.uk/about-the-assembly/corporate-information/secretariat/secretariat-management-group/register-of-interests/

Pensions liabilities

Note 1.13 to the Accounts and the Remuneration and Staff Report on pages 31 to 45 provide details of the pensions liabilities of the Commission.

Auditors

The Commission's financial statements are audited by the Comptroller and Auditor General, whose certificate and report appears at page 56 of the Accounts. The notional cost of the work performed by the Northern Ireland Audit Office (NIAO) for 2020-21 was £53,500 (Commission audit, £45,000 and Assembly Members' Pension Scheme audit, £8,500) (2019-20; £43,500 (Commission audit, £37,500 and Assembly Members' Pension Scheme, £6,000)) and related solely to audit services.

The Commission participates in the biennial National Fraud Initiative. The Comptroller and Auditor General also has statutory powers to undertake the biennial data matching exercises for the National Fraud Initiative. The cost of this work performed by the NIAO for 2020-21 was £2,499 (2019-20; £Nil).

Disclosure to Auditors

So far as the Accounting Officer is aware, there is no relevant audit information of which the Commission's auditors are unaware and she has taken all reasonable steps to make herself aware of any relevant audit information and to establish that the Commission's auditors are aware of that information.

Personal Data Related Incidents

During 2020-21, the Commission reported no personal data incidents to the Information Commissioner's Office.

Communication with staff

During the year, a variety of actions were undertaken to ensure good internal communications. A new Internal Communications Officer took up post and has introduced a range of new initiatives including a new staff newsletter, a Chief Executive's monthly note to staff, the redesign of elements of the Commission's intranet site and the publication of a range of staff-led content.

Regular communication with staff took place as part of the Commission's response to the COVID-19 pandemic. This communication sought to keep staff fully aware of the infection-control precautions that were in place in Parliament Buildings.

In addition, the Internal Communications Group continued to provide advice and guidance on internal communications matters and presented recommendations to SMG following a staff survey that was undertaken in late-2019. The Commission's HR Office continued to advise staff on wellbeing issues.

Charitable donations

The Commission did not make any charitable donations in the year.

Complaints

The Commission has a Complaints Policy and Procedure and welcomes feedback from the public. The Commission uses this feedback to help improve the services that it provides. The Commission does not provide statutory services to the public so the nature of its complaints handling differs from other entities within the public sector.

The Complaints Policy and Procedure therefore covers complaints from members of the public relating to the delivery of services in Parliament Buildings. The Complaints Policy and Procedure does not cover complaints from members of staff relating to their employment or from contractors providing services to the Commission. Separate procedures are available in both cases. Full details of the Commission's Complaints Policy and Procedure can be found at:

http://www.niassembly.gov.uk/about-the-assembly/corporate-information/policies/complaints-procedure/

Under the Complaints Policy and Procedure, a complainant can contact the Commission by email, post or by telephone. The receipt of a complaint will be acknowledged, an investigation into the circumstances surrounding the complaint will be undertaken and the results of that investigation including any remedial actions that are required will be communicated to the complainant. This process will normally be completed within 20 working days of the receipt of the complaint.

A central complaints register is held by the Commission and appropriate details relating to the detail of each complaint are held on this register. During 2020-21, the Commission received two (2019-20; One) complaints, of which one was upheld. The complaint that was not upheld was later dealt with under the Commission's Equality Scheme and again was not upheld. The complaints did not have an impact on the policies and procedures of the Commission.

Events after the Reporting Period

There are no events after the reporting period that require disclosure.

Statement of Accounting Officer's Responsibilities

Under the Government Resource and Accounts Act (Northern Ireland) 2001, DoF has directed the Commission to prepare for each financial year resource accounts detailing the resources acquired, held or disposed of during the year and the use of resources by the Commission during the year.

The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the Commission and of its Statement of Comprehensive Net Expenditure, Statement of Financial Position, Statement of Cash Flows and Statement of Changes in Taxpayers' Equity 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 accounts;

- prepare the accounts on a going concern basis; and

- confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and take personal responsibility for the Annual Report and Accounts and the judgements required for determining that is fair, balanced and understandable.

DoF has appointed me, as Accounting Officer of the Commission. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the Commission's assets, are set out in the Accounting Officers' 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 Commission's auditors are aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware.

Governance Statement

Scope of Responsibility

As Accounting Officer, I have responsibility for maintaining a sound system of corporate governance that supports the achievement of the policies, aims and objectives of the Commission, whilst safeguarding the public funds and assets for which I am personally responsible, in accordance with the responsibilities assigned to me in *Managing Public Money Northern Ireland*.

This includes ensuring that the arrangements for delegation are robust and promote good management, supported by staff with an appropriate balance of skills and experience. Appropriate management systems and procedures are also essential to support service delivery.

Governance Framework

Corporate governance is the way in which an organisation is directed, controlled and led. The underpinning framework consists not only of the formal systems and processes, but also of organisational culture and values. It defines relationships, distributes responsibility, determines the rules and procedures by which objectives are set, monitored and achieved and ensures accountability is clearly defined.

The Commission complies with all relevant requirements of the "*Corporate Governance in Central Government Departments: Code of Good Practice (NI)"* which was issued by the Department of Finance and Personnel (DFP) (now DoF) in April 2013. The Commission is not a Government Department so not all of the provisions in the Code and guidance are appropriate or relevant.

The Commission has a two-tier management structure. The Commission is the corporate body, which under section 40 of the Northern Ireland Act 1998 has the statutory authority to provide the Assembly with the wide range of services it needs. Members are appointed to the Commission by the Assembly. The day-to-day delivery of these services is achieved through delegation to me in my role as Clerk/Chief Executive. I have responsibility to ensure arrangements for delegation to SMG are robust. These delegations offer clarification on the roles and responsibilities of the Commission, the Accounting Officer and Directors.

While the details of the structure and statutory authority of the Commission are provided, for the purposes of this statement, the corporate governance arrangements, including the requirement to review effectiveness, has been applied to the senior management team charged with the delivery of services on behalf of the Commission. Commission Members are not deemed to be Non-Executive members.

The Corporate Governance Role of the Commission

When the Assembly is in session, the Commission customarily meets monthly. I attend Commission meetings with Directors, along with the Non-Executive Chairperson of the Secretariat Audit and Risk Committee (SARC). The Chairperson of SARC also has an annual meeting with the Commission in the absence of officials.

It is the Assembly, through the annual Budget Act, that appropriates funds directly from the Consolidated Fund to the Commission (in the same way as occurs for Northern Ireland Departments).

While under Standing Order 69 (1) there is a requirement that a Register of Members' Interests is established and published for public inspection, this does not deal specifically with conflicts of interest. Therefore, this is a standing agenda item at each Commission meeting.

The Corporate Governance Role of the SMG

SMG is the top-level leadership and management team within the Commission. SMG supports me in my role as Accounting Officer to discharge the obligations set out in Managing Public Money Northern Ireland. This includes advice and support on the strategic direction and overall management of staff.

As the Clerk/Chief Executive, I chair the monthly SMG meetings and am supported by the other Directors. Details of the Directors and the attendance at each meeting are given in the Directors' Report commencing at page 16.

SMG advises the Commission on major proposals and decisions in relation to policy, expenditure, asset management and staffing. SMG reviews progress against the aims and targets established in the Corporate Strategy and reviews progress on key operational issues. It also ensures that the appropriate management systems are in place and are operating effectively to ensure compliance with statutory and regulatory duties. This includes promoting best practice in corporate policies to ensure effective governance across the whole organisation, taking account of risks and performance.

The members of SMG are full-time employees of the Commission. The Commission has retained responsibility for matters relating to the appointment, the terms and conditions and the remuneration of any Director. There are no Non-Executive Directors appointed to SMG.

Conflicts of interests are addressed as a standing agenda item at each SMG meeting and, as such, are included in the published Minutes of each meeting.

Administrative support for SMG and the Commission is provided by the Commission/Chief Executive's Office. Formal processes exist for providing information to SMG and the Commission, to ensure it is provided in a timely manner, to an agreed standard and in a concise format. A clearly defined approval process has also been established for the presentation of papers, with Director approval of papers prior to submission to me. This adds a further level of scrutiny as to the relevance and quality of information being provided.

In preparing papers for SMG, it is necessary to demonstrate that a number of key areas have been considered including Freedom of Information, legal, staffing, financial/tax, data protection and the equality implications of the material recommendations being presented. If appropriate, it must be demonstrated that the appropriate consultation has been undertaken in preparing the papers.

Papers must clearly set out the context of the matter being discussed, including references to any previous papers that have been presented on the matter. They must include comprehensive and relevant evidence to inform the decision making process, concluding in a series of recommendations which are directly linked to the information provided in the paper.

This process of communicating with SMG and the Commission is reviewed regularly and updated to ensure it continues to represent the information needs of SMG and the Commission.

SMG undertakes an annual self-assessment of its effectiveness. The last assessment was carried out by SMG in June 2021. Any issues arising from this or through the governance arrangements and business planning processes are discussed by SMG and an action plan is devised to address the issues as appropriate.

Principal risks and uncertainties

The Commission identifies a number of corporate risks, through the risk management process, and these are discussed further in this Governance Statement.

The Secretariat Audit and Risk Committee

The Commission established SARC to support me in my role as Accounting Officer and to support the Commission and SMG in our responsibilities for issues of risk, control and governance. SARC provides this support by reviewing the comprehensiveness of assurances in meeting the organisation's assurance needs and reviewing the reliability and integrity of these assurances. SARC operates in accordance with DoF's Audit and Risk Assurance Committee Handbook (NI) 2018.

SARC advises on the strategic processes for risk, control and governance and the Governance Statement, the planned activity of the Internal Audit Unit and the results of its work, the planned activity of the NIAO and the results of its work and the overall adequacy of management responses to any audit issues raised. In addition, SARC reviews the Commission's Annual Reports and Resource Accounts, including the Governance Statement.

SARC normally meets on a quarterly basis to monitor progress on all of these matters. However, during this reporting period, SARC met on three occasions due to restrictions incurred by the COVID-19 pandemic and the associated delays in compiling the Annual Report and Accounts and completing the external audit. SARC agreed at its meeting held in October 2020 that given the circumstances, SARC was content that one further meeting would be sufficient to complete the full extent of its annual business for this reporting year.

SARC comprises two independent Non-Executive members, one of whom chairs the Committee, and a Commission member. The presence of an independent chairperson and independent member provides for a robust challenge to the corporate governance regime within the Commission.

The members of SARC during 2020-21 were:

Role	Name	Percentage of Meetings attended (4 meetings)
Independent Chairperson	James Brooks	100%
Independent Member	Derek Martin	100%
Commission Member (until 16 February 2021)	Keith Buchanan MLA	66%
Commission Member (from 17 February 2021)	John O'Dowd MLA	N/A (no SARC meetings took place between 17 February 2021 and 31 March 2021)

SARC's Terms of Reference provide for another Commission Member to attend on behalf of the nominated Member, if required.

As Accounting Officer, I attend all SARC meetings, along with all Directors, the acting Head of Internal Audit, the Head of Finance and a NIAO representative.

The Minutes, Terms of Reference and Annual Reports of SARC are published on the Assembly's website along with a Register of Interests of independent members.

Internal Audit

The Commission's Internal Audit Unit complies with the requirements of the Public Sector Internal Audit Standards (PSIAS) as per the following definition:

> *"Internal Audit is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operation. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes."*

Internal Audit continues to use four assurance rating classifications: substantial, satisfactory, limited, and unacceptable. The decision to retain the Substantial assurance rating, rather than adopt only the ratings outlined in DAO (DoF) 07/16, was considered and agreed by SARC in 2016.

A three-year Internal Audit Strategy covering the three financial years from 2020-21 to 2022-23 was agreed by SMG in April 2020. The Internal Audit Strategy enhances the strategic focus of Internal Audit coverage while continuing to provide assurance over routine business activity. By dedicating audit resources to priority areas, while ensuring cyclical coverage of business areas, systems and processes, enhanced assurance can be provided to the Clerk/Chief Executive, SMG and SARC on the framework of risk management, internal control and corporate governance.

The Internal Audit Strategy includes a three-year Strategic Plan and a detailed 2020-21 Internal Audit Plan, which were informed by the methodology set out in the Internal Audit Strategy, including reviews of the Corporate and Directorate Risk Registers, the Corporate Plan, previous audit coverage, and detailed discussions with the Accounting Officer and Directors.

Progress against the plan was monitored throughout the year and performance was reported to SMG and SARC, with in-year revisions to the plan agreed by the Accounting Officer and presented to SARC. In response to the COVID-19 pandemic, remote working was employed for the majority of the year. Delivery of the plan was unaffected and it was delivered as envisaged. Detailed reports on the findings from individual audits, together with associated recommendations for control enhancement, were prepared and presented to senior managers and SARC for consideration.

The audits completed comprised areas from each Directorate of the Secretariat. As per the requirements of the PSIAS, this enabled the acting Head of Internal Audit to give an overall opinion to the Accounting Officer representing the system of risk management, control and governance across the organisation. Formal monitoring of the implementation of audit recommendations continued for each Directorate with progress on each recommendation formally reported to SARC.

In 2020-21, twelve final reports were issued. Six reviews resulted in substantial assurance, five provided satisfactory assurance, and one resulted in the provision of limited assurance. All of the recommendations made during the year were accepted by management and follow-up activity has further contributed to the assurance provided. Of the five follow-up reviews carried out, four have resulted in the provision of substantial assurance; the remaining follow-up review concerned recommendations made as part of a scoping review and was not assurance based, however controls were successfully implemented by management to address the three issues raised as part of the scoping review.

Limited assurance was provided in respect of the review of Broadcasting Infrastructure. This report was issued on 25 June 2020 and was also highlighted in last year's Governance Statement, where it was noted that the report raised a significant issue relating to risk associated with the resilience of the broadcasting infrastructure and Internal Audit's inability to provide assurance over measures to prevent its operational failure in the short-term. The report acknowledged that this was a legacy issue which management was aware of and had included in the Corporate Risk Register. Mitigation measures had been identified and included in the Corporate Plan, as it would have been imprudent to make the significant investment required during the period when the Assembly was not carrying out its normal business. These measures include a refresh of Assembly broadcasting infrastructure, along with other measures to reduce the risk of operational failure.

Over the course of the year, progress has been made on this planned work to improve the resilience of the broadcasting infrastructure and the 2021-22 Internal Audit plan includes follow-up work in this regard. As was the case in 2019-20, the acting Head of Internal Audit advised that it did not have a material impact on the overall level of assurance for

2020-21.

Based on the results of the above programme of Internal Audits and associated follow-up activity, the acting Head of Internal Audit reported an overall satisfactory level of assurance for 2020-21.

An External Quality Assessment review of the Internal Audit Unit was carried out in 2020. The report concluded that the Unit demonstrates general conformance with the UK Public Sector Internal Audit Standards and includes three recommendations to promote full conformance, and a number of "added value" recommendations to promote the Unit's continuous development. Implementation of the recommendations will be monitored by senior management and SARC.

Members' Expenses

In response to significant concerns regarding a number of provisions of the 2016 Determination particularly as they related to the terms and conditions of employment for Members' support staff, the Commission sought the Assembly's agreement to confer the function of determining the allowances payable to Members on the Commission. The Assembly conferred that function on the Commission on 30 June 2020 and, on 27 August 2020, the Commission published the Assembly Members (Salaries and Expenses) (Amendment) Determination (Northern Ireland) 2020 (the 2020 Determination).

The 2020 Determination amended the 2016 Determination to enhance the terms and conditions of employment for Members' support staff and to increase the range of basic items that Members can purchase to continue to deliver services to constituents. This Determination had an effective date of 1 April 2020 for the overwhelming majority of its provisions.

The tenure of the Independent Financial Review Panel (the Panel) ended in July 2016. The motion that was brought to the Assembly on 30 June 2020 to confer the function on the Commission to determine allowances payable to Members did not amend the process for determining Members' salaries or pensions. This function remains with the Panel.

However, the Commission intends to change the remit and scope of the Panel to focus solely on Members' salaries and pensions and brought forward a Bill (the Assembly Members (Remuneration Board) Bill) to give effect to that change. The Bill had its First Stage on 14 December 2020 but the Second Stage has not yet progressed.

Full details of all Determinations can be found on the Assembly's website:

http://www.niassembly.gov.uk/your-mlas/members-salaries-and-expenses/

Payments made to Members under the provisions of the 2016 Determination as amended by the 2020 Determination are subject to regular reviews for compliance, either by the on-going compliance testing carried out by the Commission's Finance Office, or through the annual review by Internal Audit. During the reporting period any issues of non-compliance or inadmissible expenditure that were highlighted as a result of these reviews were dealt with through the established administrative processes as prescribed in the 2016 Determination.

These principles are also applied to payments made to political parties under the Financial Assistance for Political Parties Scheme 2016, which are also reviewed by an independent external auditor each year.

External Audit

The Comptroller and Auditor General for Northern Ireland is responsible for auditing the Commission's Annual Report and Accounts. The purpose of the external audit is to form an opinion on the truth and fairness and regularity of the figures disclosed in the accounts.

As part of the external audit process, weaknesses in the effectiveness of the system of internal control may be identified in the NIAO's Report to those Charged with Governance. The report also provides a commentary on the observations for each significant risk as recognised by the NIAO and where appropriate, makes recommendations for the enhancement of controls. The implementation of audit recommendations is monitored quarterly and reported to SARC.

Strategic Planning and Performance Management

Details of performance against the Strategic Aims and targets set in the Annual Plan 2020-21 are summarised in the *Performance Summary – Targets* section of the Performance Report commencing at page 9.

Internal Control Environment

Systems of internal control are designed to continuously identify and prioritise the principal risks to the achievement of the Commission's policies, aims and objectives. The systems also evaluate the likelihood of those risks being realised, assess the impact should they be realised, and seek to manage them efficiently, effectively and economically.

Generally, the systems of internal control seek to manage risk to a reasonable level rather than to eliminate all risk. It can therefore only provide reasonable and not absolute assurance of effectiveness. These arrangements were in place throughout the year. Risks and internal controls are reviewed routinely by management and are tested as part of the ongoing Internal Audit programme.

Personal Data Related Incidents

In 2020-21, the Commission reported no (2019-20; One) personal data incidents to the Information Commissioner's Office.

Risk Management

The Commission's risk management arrangements comply with generally accepted best practice principles and relevant guidance.

A Risk Management Strategy and associated policies and procedures were in place across the Commission during the reporting period. The Risk Management Strategy includes a detailed analysis of risk appetite and continues to define the Commission's approach to risk management. The Strategy is reviewed annually by SMG to ensure that it remains adequate and appropriate.

The Risk Management Strategy was reviewed in May 2020 when SMG considered a number of updates to the guidance issued by HM Treasury in its 'Orange Book – Management of Risk – Principles and Concepts', which was published in 2020.

SMG agreed a number of enhancements and points of clarification to the existing Risk Management Strategy, including a minor amendment to the definition of risk. However, SMG agreed that the risk appetite and classification of risk as stated in the Risk Management Strategy remained appropriate but some additional examples of risk categories within the classifications were added by way of clarification. SMG also agreed that the annual Risk Management Self-Assessment could be further enhanced, by using a number of the questions included in the Orange Book, to assist in assessing how the risk management principles are being applied throughout the Secretariat.

SMG again considered the Risk Management Strategy at a meeting on 30 April 2021 when it was agreed that clarification would be provided on the need for a risk culture that embraces openness and transparency. SMG also agreed that as the Risk Management Strategy was now well embedded, with only minor amendments required over the past two years, the review of the Risk Management Strategy and the Commission's risk appetite would take place on a biennial basis, and that any new or revised risk management guidance published, which affected the Strategy, would be considered by SMG by exception.

The Risk Management Strategy notes that risk management is not a process for avoiding risk but instead can act as a tool to encourage the organisation to take on activities that have a higher level of risk, because the risks have been identified, are being managed and that the exposure to risk is both understood and acceptable.

The Risk Management Framework includes the Risk Management Strategy, Corporate and Directorate Risk Registers, Assurance Statements, the activities of SARC, risk-based audit delivered by the Internal Audit team and external audit, and the annual Governance Statement. In delivering the Risk Management Strategy, SMG has sought to ensure that a strong risk management culture is embedded across the entire organisation, which is assisted by a process of regular and ongoing monitoring and reporting of risk.

SMG has ownership of the Corporate Risk Register. The Corporate Risk Register is presented quarterly to SARC and biannually to the Commission. It is reviewed and approved by SMG on a quarterly basis. As at the reporting date, three corporate risks were identified.

These are:

1. *Major Incident / Breakdown / Security Incident / Pandemic;*

2. *Errors or omissions in equality, governance or regulatory requirements; and*

3. *Shortage of staff, skills and knowledge and / or staff engagement.*

Risks are identified and assessed using a 5 x 5 matrix of impact and probability, with appropriate Red, Amber, Green colour coding being applied to each risk. The risk appetite is assessed for each risk, using one of the five identified levels. The risk owner documents the root causes of the risk and appropriate responses to address the risk. The adequacy of controls is then reviewed and the degree of acceptance of any gaps in controls and any further actions that are required to improve control are determined.

The quarterly review by SMG ensures that SMG can evaluate the nature and extent of corporate risks and ensures the risks are being managed efficiently. An additional review was undertaken by SMG in May 2020, to ensure that all risk responses, in the context of the COVID-19 pandemic, were recorded on an on-going basis. In addition, the Commission used the risk register templates issued by the Health and Safety Executive Northern Ireland to record its risk response to the COVID-19 pandemic.

Directorate and business area risk registers (where appropriate) are maintained. The Risk Management Strategy includes a monthly review of Directorate risk registers by each Director and Heads of Business. These monthly review meetings are attended by the Governance Officer.

Assurance Stewardship Statements are prepared every six months by each Director. The Statements are submitted to me and are subsequently considered by SARC. These Statements confirm if the management of risks in respective areas have been effectively managed, and provide a narrative on how this assurance has been achieved.

If controls have been inappropriate or ineffective in managing the risk, a narrative must also be provided on any remedial actions that may be required. The Statements also require risk owners to provide a commentary on other governance issues, such as the control of expenditure, information management practices, fraud and bribery prevention measures and the implementation of internal and external audit recommendations.

The Stewardship Statements were prepared as at the end of September 2020 and the end of March 2021 and all Directors confirmed that they were satisfied that controls were in place and that these controls were appropriate.

As in previous years, a number of self-assessments were completed to consider the risks associated with fraud, bribery, corruption, risk management and cyber security. These included Fraud and Bribery Self-Assessment Checklists, the Bribery Risk Assessment and Action Plan, Risk Management Self-Assessment checklists and Action Plan, and the National Audit Office Cyber security and information risk guidance for Audit Committees, Checklist and Action Plan.

SMG agreed that due to the near full compliance with these assessments, they should be carried out on a biennial basis but the Action Plans for these self-assessments will continue to be monitored quarterly and presented to SARC.

Anti-fraud and Anti-Bribery Issues

The Fraud Prevention and Anti-Bribery Policy and associated Response Plan are reviewed on a biennial basis. A review was carried out in May 2020 to ensure that they continue to represent best practice and reflect all appropriate legislative changes. No further changes were made to the policy or response plan. An online, mandatory training programme in support of the Policy and Response Plan was made available to all staff in late 2020.

There were no reported incidents of suspected fraud during the reporting period.

The Commission also participates in the biennial National Fraud Initiative exercise, which is an effective data matching exercise to compare data from across a range of public sector organisations to identify potentially fraudulent claims. This exercise was completed during October 2020. The Commission reported 349 matches across all of the datasets uploaded (for payroll and creditors). The analysis of the matches is ongoing.

Budget Position and Authority

The Assembly passed the Budget Act (Northern Ireland) 2021 in March 2021 which authorised the cash and use of resources for the Commission for the 2020-21 year. The Budget Act (Northern Ireland) 2021 also authorised a Vote on Account to authorise the Commission's access to cash and use of resources for the early months of the 2021-22 financial year. This was followed by the 2021-22 Main Estimates and the associated Budget (No. 2) Bill in June 2021 which authorises the cash and resource balance for the remainder of 2021-22.

General

Over the last year, progress on recruiting staff to fill the large number of vacant posts that had accrued during the 3-year political hiatus, was impacted significantly by the COVID-19 pandemic. Key vacancies were filled on a temporary basis by engaging agency workers. The Coronavirus Regulations and guidance that were put in place by the Executive meant that work practices and procedural processes were adapted to ensure that the work of the Assembly could continue.

As Accounting Officer, my assessment of the current corporate governance arrangements is that they comply with the best practice principles, as contained within the "Corporate Governance in Central Government Departments: Code of Good Practice (NI) 2013" as issued by DFP under the DAO (DFP) (now DoF) 06/13. While recognising the fact that the Commission is not a Government Department, many of the principles can be applied. However, the application may not always be straightforward and where alternative governance arrangements are deemed to be more appropriate, deviation from the code has been explained for the purposes of this statement.

Signed:

Lesley Hogg
Accounting Officer
Clerk/Chief Executive
Date: 24 June 2021

Remuneration and Staff Report

The purpose of the Remuneration and Staff report is to set out the Commission's remuneration policy for senior management, reporting on how this policy has been implemented and what has been paid to senior management. This report explains the provisions for Commission Members as set by the relevant determination, therefore providing the users of the Annual Report and Resource Accounts with information on those individuals who are central in terms of accountability. The report also provides information on overall staff numbers and associated costs for the reporting period.

Remuneration Policy

Commission Members

The salaries and pensions of all Members (including those Members elected to serve as members of the Commission) during 2020-21, were set by the 2016 Determination, and the Assembly Members (Pensions) Determination (Northern Ireland) 2016. These Determinations were made by the Panel which was established by the Assembly Members (Independent Financial Review and Standards) Act (Northern Ireland) 2011, to make determinations in relation to salaries, allowances and pensions payable to Members.

Non- Executive Directors

The Commission has established SARC to consider and advise the Accounting Officer on all matters of governance, audit and internal controls. SARC comprises two independent Non-Executive members, one of whom chairs the Committee, and a Commission Member. The Non-Executive members are paid a daily rate as established and reviewed by the Commission. The Commission Member receives no additional remuneration for undertaking this particular role.

Senior Management

Section 40 of the Northern Ireland Act 1998 states that "*The Commission shall provide the Assembly, or ensure that the Assembly is provided, with the property, staff and services required for the Assembly's purposes*". The Commission has the legal authority to appoint the staff of the Secretariat and to set the remuneration of staff.

The pay award for all staff including its senior managers is normally based on an incremental uplift on all pay scales. A one year pay award was made from 1 August 2020 which included the following distinct elements:

- a 3% consolidated pay increase on all pay scales;
- a one-step progression for staff who were not at the maximum point of their pay scale at 1 August 2020 and whose performance met the required standard;
- and an increase from 18 to 26 weeks in the period for which Occupational Maternity Pay is paid at full salary.

Service Contracts

Staff are appointed on merit on the basis of a fair and open competition. Staff are normally appointed on a permanent basis. Early termination, other than for misconduct, may result in the individual receiving compensation as set out in the Commission's staff policies and procedures.

Appointments to senior management positions are made by the Commission on the basis of fair and open competition and the Commission has set its own policies and procedures in this regard.

The following sections provide details of the remuneration and pension interests of the Commission, the most senior officials within the Assembly Secretariat and the Non-Executive members of SARC.

Remuneration (including salary) and pension entitlements for Commission Members (audited)

Assembly Commission Members	**Salary £**		**Benefits in kind (to nearest £100)**		**Pension Benefits* (to nearest £1000)**		**Total (to nearest £1000)**	
	2020-21	**2019-20**	**2020-21**	**2019-20**	**2020-21**	**2019-20**	**2020-21**	**2019-20**
Alex Maskey MLA	38,000	12,208	-	-	12,000	2,000	50,000	14,000
Keith Buchanan MLA	6,000	1,081	-	-	2,000	-	8,000	1,000
John O'Dowd MLA	6,000	1,290	-	-	2,000	1,000	8,000	2,000
Dolores Kelly MLA	6,000	1,290	-	-	2,000	-	8,000	1,000
Robert Butler MLA	6,000	1,290	-	-	2,000	-	8,000	1,000
John Blair MLA	6,000	1,081	-	-	2,000	-	8,000	1,000

*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 increase excludes increases due to inflation and any increase or decrease due to a transfer of pension rights.

The above figures only relate to the remuneration received by Commission Members in respect of their position as officeholders.

Remuneration SARC Members (audited)

Single total figure of remuneration						
SARC	**Fees £**		**Benefits in kind (to nearest £100)**		**Total (to nearest £1000**	
	2020-21	**2019-20**	**2020-21**	**2019-20**	**2020-21**	**2019-20**
James Brooks – Chairperson	1,640	2,442	-	-	2,000	2,000
Derek Martin – Independent Member	1,560	856	-	-	2,000	1,000

Remuneration (including salary) and pension entitlements for Secretariat staff (audited)

Single total figure of remuneration								
Secretariat Officials	**Salary £'000**		**Benefits in kind (to nearest £100)**		**Pension Benefits* (to nearest £1000)**		**Total £'000**	
	2020-21	**2019-20**	**2020-21**	**2019-20**	**2020-21**	**2019-20**	**2020-21**	**2019-20**
Lesley Hogg **Clerk/Chief Executive**	135-140	130-135	-	-	59,000	51,000	195-200	285-290
Gareth McGrath **Director of Parliamentary Services**	90-95	90-95	-	-	42,000	35,000	135-140	125-130
Richard Stewart **Director of Corporate Services**	90-95	90-95	-	-	56,000	30,000	150-155	120-125
Tara Caul **Director of Legal, Governance & Research Services**	90-95	85-90	-	-	27,000	44,000	120-125	130-135
Band of Highest Paid Director's Total Remuneration**	**140-145**				**135-140**			
Median Total Remuneration**	**£33,665**				**£35,805**			
Ratio	**4.23**				**3.84**			

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

**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.

Hutton Fair Pay Review Disclosure (audited)

Reporting bodies are required to disclose the relationship between the remuneration of the highest paid Director in their organisation and the median remuneration of the organisation's workforce.

The reported figure for the banded remuneration of the highest paid Director under the Hutton Fair Pay Review Disclosure was 4.23 times (2019-20; 3.84) the median remuneration of the workforce, which was £33,665 (2019-20; £35,805). The decrease in the median salary is due to a change in the grade of the median employee, partly offset by the pay rise awarded during the year. In 2020-21, no (2019-20; 0) employees received remuneration in excess of the highest-paid Director. The remuneration range for 2020-21 was £19,044 to £140,307 (2019-20; £17,931 to £136,220).

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

Salary

'Salary' for Secretariat staff includes gross salary, overtime, any other allowance to the extent that it is subject to UK taxation and any ex gratia payments.

This report is based on payments made by the Commission and thus recorded in these accounts. In respect of Members of the Commission (including the Speaker), 'salary' represents the *additional* salary payable for being a Member of the Commission or the Speaker over and above the salary payable as a Member.

The 2016 Determination provides for salaries to be paid in respect of certain offices within the Assembly where the salary is higher than the salary payable to Members of the Assembly generally. The 2016 Determination sets out the total salary payable to Members generally and for each officeholder.

The additional amount paid for holding the office of Commission Member was £6,000 (2019-20; £4,800 from 1 April 2019, £6,000 from 11 January 2020). For the Speaker, the additional amount paid for holding office was £38,000 (2019-20; £19,960 from 1 April 2019, £38,000 from 11 January 2020). The salary figures reported here do not include the salary for a Member generally of £51,000 (2019-20; £50,500).

Benefits in kind

The monetary value of benefits in kind covers any benefits provided by the employer and treated by HM Revenue & Customs as a taxable emolument.

Pensions Benefits for Assembly Commission Members (audited)

Assembly Commission Members	Accrued pension at age 65 as at 31/03/21	Real increase in pension at age 65	CETV at 31/03/21 (or end date)	CETV at 31/03/20 (or start date)	Real increase in CETV
	£'000	£'000	£'000	£'000	£'000
Alex Maskey MLA	0-5	0-2.5	45	33	9
Keith Buchanan MLA	0-5	0-2.5	2	-	1
John O'Dowd MLA	0-5	0-2.5	74	70	1
Dolores Kelly MLA	0-5	0-2.5	16	14	2
Robert Butler MLA	0-5	0-2.5	2	-	1
John Blair MLA	0-5	0-2.5	2	-	1

**The calculation of the starting pension for the 2020-21 CETV was based on the pensionable salary used in the 2020-21 annual benefit statement and was therefore greater than the closing pension for the 31 March 2020 CETV.*

Commission pensions

Pension benefits for Commission Members are provided by the Assembly Members' Pension Scheme (Northern Ireland) 2016 (AMPS). In 2011, the Assembly passed the Assembly Members (Independent Financial Review and Standards) Act (Northern Ireland) 2011 establishing a Panel to make determinations in relation to the salaries, allowances and pensions payable to Members of the Assembly. In April 2016, the Panel issued the Assembly Members (Pensions) Determination (Northern Ireland) 2016 which introduced a Career Average Revalued Earnings scheme for new and existing members. The scheme is named the Assembly Members' Pension Scheme (Northern Ireland) 2016.

Assembly Members aged 55 or over on 1 April 2015 and in continuous service between 1 April 2015 and 6 May 2016 will retain their Final Salary pension arrangements under transitional protection until 6 May 2021. The McCloud judgement found that the transitional protection offered to members of the Judiciary and Firefighters Schemes when their schemes were reformed was discriminatory on grounds of age. In light of this decision, the government has agreed to provide remedy to eligible members across the main public sector schemes. This judgement could have an impact on Members who missed out on the Transitional Protection policy in the AMPS because of their age but the applicability and approach to the McCloud judgement in this scheme is still under consideration.

As Commission Members are Members of the Legislative Assembly, they also accrue an MLA's pension under AMPS (details of which are not included in this report). Pension benefits for Commission Members under transitional protection arrangements are provided on a "contribution factor" basis, which takes account of service as a Commission Member. The contribution factor is the relationship between salary as a Commission Member and salary as a Member for each year of service as a Commission Member. Pension benefits as a Commission Member are based on the accrual rate ($1/50^{th}$ or $1/40^{th}$)

multiplied by the cumulative contribution factors and the relevant final salary as a Member. Pension benefits for all other Members are provided on a career average (CARE) basis.

Benefits for Commission Members are payable at the same time as Assembly Member's benefits become payable under the AMPS. Pensions are increased annually in line with changes in the Consumer Price Index (CPI). Commission Members in the Final Salary section can pay contributions of either 9% or 12.5% of their officeholder's salary, depending on their accrual rate. Commission Members in the CARE section pay 9% of the officeholder's salary. There is also an employer contribution paid by the Consolidated Fund out of money appropriated by Act of Assembly for that purpose representing the balance of cost. This is currently 14.4% of the Commission Member's salary.

The accrued pension quoted is the pension the Commission Member is entitled to receive when they reach normal pension age for their section of the Scheme. Commission Members under transitional protection arrangements may retire at age 65. Commission Members in the CARE section have a pension age aligned to their State Pension Age. This accrued pension arises from all previous service during which the Commission Member held any remunerated office within the Assembly. It does not relate solely to service as a Commission Member.

The Cash Equivalent Transfer Value (CETV)

This is the actuarially assessed capitalised value of the pension scheme benefits accrued by a Member at a particular point in time. The benefits valued are the Member's accrued benefits and any contingent spouse's pension payable from the scheme. It is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the Member leaves a scheme and chooses to transfer the pension benefits they have accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total service as an officeholder, not just their current appointment as an officeholder.

CETVs are calculated in accordance with the Occupational Pension Schemes (Transfer Values) Regulations 1996 (as amended) and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax, which may be due when pension benefits are taken.

The real increase in the value of the CETV

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

Pension Benefits for Secretariat Staff (audited)

Secretariat Officials	**Accrued pension at pension age as at 31/03/21 and related lump sum**	**Real increase in pension and related lump sum at pension age**	**CETV at 31/03/21**	**CETV at 31/03/20**	**Real increase in CETV**	**Employer contribution to partnership pension account**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**Nearest £100**
Lesley Hogg **Clerk/Chief Executive**	25-30	2.5-5	321	270	32	-
Gareth McGrath **Director of Parliamentary Services**	30-35	2.5-5	491	445	22	-
Richard Stewart **Director of Corporate Services**	45-50 (plus a lump sum of 95-100)	2.5-5 (plus a lump sum of 2.5-5)	856	787	39	-
Tara Caul **Director of Legal, Governance & Research Services**	20-25	0-2.5	278	248	14	-

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 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 existing members of the classic, premium, classic plus and nuvos pension arrangements also moved to alpha from that date.

Members who on 1 April 2012 were within 10 years of their normal pension age did not move to alpha and those who were within 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. 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 rate is 2.32%.

Discrimination identified by the courts in the way that the 2015 pension reforms were introduced must be removed by the DoF. It is expected that, in due course, eligible members with relevant service between 1 April 2015 and 31 March 2022 may be entitled to different pension benefits in relation to that period. The different pension benefits relates to the different schemes e.g. classic, alpha, etc. and is not the monetary benefits received. This is known as the 'McCloud Remedy' and will impact many aspects of the Civil Service Pensions schemes including the scheme valuation outcomes. Further information on this will be included in the NICS pension scheme accounts, which are available at https://www.finance-ni.gov.uk/publications/dof-resource-accounts.

Currently, new entrants joining can choose between membership of alpha or joining a 'money purchase' stakeholder arrangement with a significant employer contribution (partnership pension account).

New entrants joining on or after 30 July 2007 were eligible for membership of the Nuvos arrangement or they could have opted for a partnership pension account. Nuvos is also a CARE arrangement in which members accrue pension benefits at a percentage rate of annual pensionable earnings throughout the period of scheme membership. The current rate is 2.3%.

Staff in post prior to 30 July 2007 may be in one of three statutory based 'final salary' defined benefit arrangements (classic, premium and classic plus). From April 2011, pensions payable under classic, premium, and classic plus are reviewed annually in line with changes in the cost of living. New entrants joining on or after 1 October 2002 and before 30 July 2007 could choose between membership of premium or joining the partnership pension account.

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

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).

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. Scheme Pension age is 60 for members of classic, premium, and classic plus and 65 for members of nuvos. The normal scheme pension age in alpha is linked to the member's State Pension Age but cannot be before age 65. Further details about the NICS pension schemes can be found at the website www.finance-ni.gov.uk/civilservicepensions-ni

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 2020 was 0.5% and HM Treasury has announced that public service pensions will be increased accordingly from April 2021.

Employee contribution rates for all members for the period covering 1 April 2021 to 31 March 2022 are as follows:

Scheme Year 1 April 2021 to 31 March 2022

Annualised Rate of Pensionable Earnings **(Salary Bands)**		**Contribution rates** – All members
From	**To**	**From 1 April 2021 to 31 March 2022**
£0	£24,199.99	4.60%
£24,200.00	£55,799.99	5.45%
£55,800.00	£153,299.99	7.35%
£153,300.00 and above		8.05%

Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme.

The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The CETV figures, and from 2003-04 the other pension details, include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the NICS pension arrangements. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost.

CETVs are calculated in accordance with the Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2015 and do not take account of any actual or potential benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

Real increase in CETV

This reflects the increase in CETV effectively 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. However, the real increase calculation uses common actuarial factors at the start and end of the period so that it disregards the effect of any changes in factors and focuses only on the increase that is funded by the employer.

Staff Report

Average number of persons employed (audited)

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

				2020-21 Number	2019-20 Number
Objective	**Permanently employed staff**	**Agency, Temporary and Inward Secondees**	**Members**	**Total**	**Total**
1	293	44	90	427	394
Total	**293**	**44**	**90**	**427**	**394**

During 2020-21, an average of nil members of staff (2019-20; 73) were redeployed externally to other legislatures and public sector employers.

The Commission does not employ any staff exclusively for capital projects (2019-20; Nil).

The rate of staff turnover was 3.1% (2019-20; 4.4%).

During 2020-21, the Commission sought to engage with its staff particularly in relation to the impacts of COVID-19. In June 2020, a survey of all staff generated a response rate of 63%.

Directors, Senior Managers and Employees (audited)

As at 31 March 2021, the number of permanent employed Directors, senior managers and employees split by gender was as follows:

Role	Female	Male
Senior managers	2	2
Employees (not including senior managers)	144	177
Total	**146**	**179**

The Commission does not apply the grading structures used by the Northern Ireland Civil Service. “Senior manager” is defined as a member of staff at Assembly Grade 1 or Assembly Grade 2, which is broadly analogous to Senior Civil Service grades.

Staff costs (audited) comprise:

	Permanently employed staff*	Agency, Temporary and Inward Seconded Staff	Members	2020-21 £'000 Total	2019-20 £'000 Total
Wages and salaries	11,900	2,203	5,252	19,355	15,614
Social security costs	1,271		667	1,938	1,656
Other pension costs	3,642		749	4,391	4,263
Sub Total	**16,813**	**2,203**	**6,668**	**25,684**	**21,533**
Less recoveries in respect of outward secondments	(139)		-	(139)	(145)
Total net costs **	**16,674**	**2,203**	**6,668**	**25,545**	**21,388**

* There were no staff costs incurred in respect of Special Advisers in 2020-21 and 2019-20.
** Of the total, £0 has been charged to capital (2019-20; £Nil).

All staff costs are charged to programme costs.

Temporary Staff

The Commission made payments of £1,988,133 (2019-20; £350,059) in relation to temporary workers during the year.

Pension Arrangements

The NICS main pension schemes are unfunded multi-employer defined benefit schemes but the Commission is unable to identify its share of 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 2016 scheme valuation was completed by GAD in March 2019. The outcome of this valuation was used to set the level of contributions for employers from 1 April 2019 to 31 March 2023.

The 2016 Scheme Valuation requires adjustment as a result of the 'McCloud remedy'. The Department of Finance have also commissioned a consultation in relation to the Cost Cap Valuation which will close on 25 June 2021. By taking into account the increased value of public service pensions, as a result of the 'McCloud remedy', scheme cost control valuation outcomes will show greater costs than otherwise would have been expected. On completion of the consultation, the 2016 Valuation will be completed and the final cost cap results will be determined.

For 2020-21, employers' contributions of £3,642,144 were payable to the NICS pension arrangements (2019-20; £3,495,280) at one of three rates in the range 28.7% to 34.2% of pensionable pay, based on salary bands.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers' contributions of £3,511 (2019-20; £2,415) were paid to one or more of the panel of two appointed stakeholder pension providers. Employer contributions are age-related and range from 8% to 14.75% (2019-20; 8% to 14.75%) of pensionable pay.

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

Employer contributions of £115, 0.5% (2019-20; £142, 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 partnership pension providers at the reporting date were nil. Contributions prepaid at that date were nil.

Pension benefits for Members are provided through AMPS. In 2016, the Panel introduced a new CARE scheme effective from 6 May 2016. Returning Members within 10 years of retirement at 1 April 2015 were afforded transitional protection for a period of 5 years allowing them to remain in the final salary section of AMPS.

Members in the final salary section pay contributions of 12.5% of pensionable salary accruing benefits at 1/40th of final salary for each year of service, or 9% of pensionable salary accruing benefits at 1/50th of final salary for each year of service. Normal retirement age for the final salary section is age 65.

All new Members, and returning Members without transitional protection, join the CARE section of AMPS, building up pension benefits at a rate of 2% of pensionable earnings in the year. Normal retirement age for the CARE section is aligned with the Member's State Pension age. Members make contributions from their officeholder salary at the same rate as their Assembly Members' salary. All pensions increase in line with the Consumer Price Index once in payment.

There is a separate scheme statement for AMPS. The assets of the scheme are held separately from those of the Commission and are managed by an Investment Manager. A full actuarial valuation was carried out for the period ending 31 March 2017 by GAD.

For 2020-21, contributions of £0.7m (2019-20; £0.7m) were paid to AMPS. From 6 May 2016 contributions were at a rate of 14.4% (2019-20; 14.4%) of pensionable pay, as determined by GAD and advised by HM Treasury. Further disclosures can be found in Note 5 "Members' and Staff related Costs".

Ill Health Retirement – Staff

One member of staff (2019-20, Two) retired early on ill-health grounds, with no enhancement; the total additional accrued pension liabilities in the year amounted to £Nil (2019-20, £Nil).

Ill Health Retirement – Members

During the year, no Members retired due to ill health (2019-20; Nil). Members retiring early through ill health are entitled to apply to the Commission to receive an ill health retirement allowance under the terms of the 2016 Determination. The total amount paid by way of ill health retirement allowance was £Nil (2019-20; £Nil).

Compensation Schemes – exit packages (audited)

There was nil compensation payments made in 2020-21 (2019-20 £Nil)

Redundancy and other departure costs are paid in accordance with the provisions of the Civil Service Compensation Scheme (Northern Ireland), a statutory scheme made under the Superannuation (Northern Ireland) Order 1972. Exit costs are accounted for in full in the year of departure. Where the Commission has agreed early retirements, the additional costs are met by the Commission 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.

Off-Payroll Engagements (audited)

All Off-Payroll arrangements were assessed in line with IR35 requirements. The Commission had no Off-Payroll Engagements which cost more than £245 per day, lasted longer than six months, and were in place at any time during 2020-21.

Consultancy (audited)

The Commission made payments of £47,928 (2019-20; £2,832) to External Consultants during the year.

Equal opportunity policy (including employment of persons with a disability)

The Commission is an equal opportunities employer. It does not discriminate against staff or eligible applicants on the grounds of gender, marital status, race, colour, nationality, ethnic origin, religion, disabilities, age or sexual orientation. Every possible step is taken to ensure that staff are treated equally and fairly and that decisions on recruitment, selection, training, promotion and career management are based solely on objective and job-related criteria. The Commission is committed to creating a culture in which individual differences are valued and respected and where no one is disadvantaged. This position is reflected in the Commission's Recruitment and Selection Procedures and in the Staff Handbook.

In keeping with the Equality Commission for Northern Ireland's "Positive Action for People who are Disabled" guidance, the Commission operates a Guaranteed Interview

Scheme (GIS). The GIS provides a candidate with a disability automatic access to an interview if they have demonstrated in their application form that they meet the essential criteria for the post. Guidance is also given in the Recruitment and Selection Procedures on how a candidate can advise the Human Resources Office of any reasonable adjustments, due to disability, that may be required in relation to the recruitment and selection process, for example to attend an aptitude test or interview.

For existing employees, the Commission carries out a disability audit each year to assess whether an employee has a disability that requires reasonable adjustments to be made to their job or matters relating to their job e.g. access to training.

Other Employee Matters

The Commission provides employees with a competitive reward package that includes salary and up to 30 day's annual leave plus up to 12 public and privilege holidays each year. All permanent employees are enrolled into the Civil Service Pension Scheme from their first day of employment. Personal and professional learning and development opportunities are available to employees through a range of formal and informal learning. The Commission also has a range of family friendly policies in place to enable staff to balance work with other aspects of their lives.

The Commission recognises the Northern Ireland Public Service Alliance (NIPSA) for the purpose of negotiation and consultation and the relationship between Management and NIPSA is managed in accordance with a formal Joint Agreement. Negotiations on policy and pay matters are undertaken by Management and NIPSA.

The Commission seeks the views of staff on a range of workplace issues through a Staff Survey which is issued every two years. Following completion of each Staff Survey, an action plan is developed to address the key findings. Staff are also consulted directly on policy issues. This consultation is carried out through a range of mechanisms including staff focus groups and through the online policy consultation portal.

The Commission recognises the importance of employee health and wellbeing and a strategy and action plan are in place to promote and deliver a variety of initiatives to staff. These initiatives are aimed at facilitating employees to make informed choices about their own health and wellbeing; to target areas of concern identified through sickness absence information; providing external expert advice through our employee assistance programme; and promoting the importance of good mental health.

In addition, the Commission has a Health and Safety Unit whose role it is to create a positive health and safety culture. This is achieved for example, by reporting and investigating accidents; carrying out building inspections; organising training for staff and displaying health and safety information; completing risk assessments and taking corrective action as necessary.

During the ongoing COVID-19 pandemic, the Commission has complied with relevant legislation and Government guidance in relation to its employees. In addition, the Commission has taken all reasonable steps to support employee health, well-being and safety for those working at home and those required, on occasion, to attend Parliament Buildings.

Sickness Absence (audited)

There was an average absence rate of 2.7% during the period April 2020 – March 2021 (4.8% during the period April 2019 – March 2020). The absence rate is the percentage of available working days which were lost due to sickness absence. SMG has set a benchmark of 7.5 days per employee per annum. The average number of days lost per employee due to sickness during the period April 2020 – March 2021 was 5.9 days (10.7 days during the period April 2019 – March 2020. Health and well-being initiatives and supports are specifically promoted to all employee through weekly briefings, the Commission intranet and a range of other supports such as Welfare Service, Inspire Workplace Services and Occupational Health.

Statement of Outturn against Assembly Supply *(audited)*

In addition to the primary statements prepared under International Financial Reporting Standards (IFRS), the Government Financial Reporting Manual (FReM) requires the Commission to prepare a Statement of Outturn against Assembly Supply (SoAS) and supporting notes.

The SoAS and related notes are subject to audit, as detailed in the Certificate and Report of the Comptroller and Auditor General to the Northern Ireland Assembly.

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

Should an entity exceed the limits set by their Supply Estimate, called control limits, their accounts will receive a qualified opinion.

The format of the SoAS mirrors the Supply Estimates to enable comparability between what the Assembly approves and the final outturn. The Supply Estimates are voted by the Assembly and published on the Department of Finance website.

The supporting notes detail the following: Outturn detailed by Estimate line, providing a more detailed breakdown (note 1); a reconciliation of outturn to net operating expenditure in the Statement of Comprehensive Net Expenditure, to tie the SoAS to the financial statements (note 2); a reconciliation of net resource outturn to Net Cash Requirement (note 3); an analysis of income payable to the Consolidated Fund (note 4); a reconciliation of income recorded within the Statement of Comprehensive Net Expenditure to operating income payable to the Consolidated Fund (note 5); and detail on non-operating income - excess Accruing Resources (note 6).

Summary tables – mirror Part II and III of the Estimates

Summary of Resource Outturn 2020-21, all figures presented in £'000s

Request for Resources	Note	Outturn			Estimate			Outturn vs Estimate, saving/ (excess)	Prior Year Outturn Total, 2019-20
		Gross Expenditure	Accruing Resources	Net Total	Gross Expenditure	Accruing Resources	Net Total	Net Total	
1	SoAS 1	42,766	(145)	42,621	47,985	(149)	47,836	5,215	39,955
Total Resources	**SoAS 2**	**42,766**	**(145)**	**42,621**	**47,985**	**(149)**	**47,836**	**5,215**	39,955
Non-operating Accruing Resources		-	-	-	-	-	-	-	-

Net Cash Requirement 2020-21, all figures presented in £'000s

	Note	Outturn	Estimate	Outturn vs Estimate, saving /(excess)	Prior Year Outturn Total 2019-20
Net Cash Requirement	**SoAS 3**	39,389	42,461	3,072	31,748

Summary of income payable to the Consolidated Fund

In addition to accruing resources, the following income relates to the Commission and is payable to the Consolidated Fund (cash receipts being shown in *italics*)

	Note	Forecast 2020-21		Outturn 2020-21	
		Income	Receipts	Income	Receipts
Total amount payable to the Consolidated Fund	**SoAS 4**	30	*30*	50	*56*

Explanation of variances between Estimate and outturn are given in the Performance Overview in the Performance Report.

The notes on pages 65 – 88 form part of these accounts.

Notes to the Statement of Outturn against Assembly Supply, 2020-21 (£'000s)

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

SoAS note 1. Outturn detail, by Estimate line

Type of spend	Resource outturn						Estimate			Outturn vs Estimate (inc virements), saving/ (excess)	Prior Year Outturn Total, – 2019-20
	Admin	Other Current	Grants	Gross expenditure	Accruing Resources	Net Total	Net Total	Virements*	Net Total inc. virements		
Request for Resources A: *Members' salaries, expenses and administration costs*	-	42,766	-	42,766	(145)	42,621	47,836	-	47,836	5,215	39,955
Departmental Expenditure in DEL: A-1 Administration	-	42,305	-	42,305	(145)	42,160	45,081	-	45,081	2,921	35,137
Annually Managed Expenditure (AME): A-2 Administration provisions & Members' Pension Finance Costs	-	408	-	408	-	408	2,700	-	2,700	2,292	4,774
Non Budget: A-3 Notional Charges	-	53	-	53	-	53	55	-	55	2	44
Resource Outturn	**-**	**42,766**	**-**	**42,766**	**(145)**	**42,621**	**47,836**	**-**	**47,836**	**5,215**	**39,955**

Key to Request for Resources and Functions

Request for Resources A – Remunerating and supporting Members of the Assembly in discharging their duties in the Assembly, constituencies and elsewhere, enhancing public awareness of, and involvement in, the working of the Assembly; hosting events; compensation and severance payments; expenditure on activities that are required as a result of the United Kingdom's exit from the European Union; administration; related services and associated non-cash items.
Detailed explanations of the variances are given in the Management Commentary.

The notes on pages 65 – 88 form part of these accounts.

SoAS note 2. Reconciliation of Outturn to net operating expenditure

	Note	Outturn	Supply Estimate	Outturn compared with Estimate	Prior Year Outturn Total, 2019-20
Net Resource Outturn	**SoAS 1**	42,621	47,836	5,215	39,955
Non-supply income (CFERs)	**SoAS 4**	(50)	(30)	20	(7)
Net Operating Expenditure in Statement of Comprehensive Net Expenditure	**SOCNE**	**42,571**	**47,806**	**5,235**	**39,948**

As noted in the introduction to the SoAS above, outturn and the Estimates are compiled against the budgeting framework, which is similar to, but different from, IFRS. Therefore, this note reconciles the resource outturn to net operating expenditure, linking the SoAS to the financial statements.

The notes on pages 65 – 88 form part of these accounts.

SoAS note 3. Reconciliation of net resource outturn to Net Cash Requirement

This note mirrors Part II of the Estimates: Resource to Cash reconciliation.

Item	Note	Outturn total	Estimate	Outturn vs Estimate, Saving/ (excess)
Resource Outturn	SoAS 1	42,621	47,836	5,215
Capital				
Acquisition of property, plant and equipment	7	928	970	42
Acquisition of heritage assets	7	-	-	-
Acquisition of intangible assets	8	1	-	(1)
Investments		-	-	-
Non-operating Accruing Resources				
Net book value of asset disposals		-	-	-
Accruals to cash adjustments:				
Adjustments to remove non-cash items:	3,4			
Depreciation, impairments and revaluations		(3,025)	(3,290)	(265)
Members' Pension finance costs		(400)	(2,700)	(2,300)
New provisions, and adjustments to previous Provisions		(8)	-	8
Prior period Adjustments		-	-	-
Other non-cash items		(53)	(55)	(2)
Adjustments to reflect movement in working balances:				
Increase/(decrease) in inventories		-	-	-
Increase/(decrease) in receivables		143	(50)	(193)
(Increase)/decrease in payables due within one year		(818)	(250)	568
Changes in payables falling due after more than one year				
Use of provisions	17	-	-	-
Excess cash receipts surrenderable to the Consolidated Fund	SoAS 4	-	-	-
Net Cash Requirement		**39,389**	**42,461**	**3,072**

As noted in the introduction to the SoAS above, outturn and the Estimates are compiled against the Budgeting Framework, not on a cash basis. This reconciliation bridges the resource outturn to the Net Cash Requirement.

Further explanation for variances is set out in the Performance Overview on page 11.

The notes on pages 65 – 88 form part of these accounts.

SoAS note 4. Amounts of income to the Consolidated Fund

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

SoAS note 4.1 Analysis of income payable to the Consolidated Fund

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

Item		Forecast 2020-21		Outturn 2020-21	
	Note	Income	Receipts	Income	Receipts
Operating income and receipts - excess Accruing Resources		-	-	-	-
Other operating income and receipts not classified as Accruing Resources		30	*30*	50	*56*
Total income payable to the Consolidated Fund		**30**	***30***	**50**	***56***

SoAS note 5. Reconciliation of income recorded within the Statement of Comprehensive Net Expenditure to operating income payable to the Consolidated Fund

Item	Note	2020-21 £'000	2019-20 £'000
Operating income	**6**	195	172
Adjustments for transactions between RfRs		-	-
Gross Income		195	172
Income authorised to be Accruing Resources		(145)	(165)
Operating income payable to the Consolidated Fund	**SoAS 4.1**	**50**	**7**

SoAS note 6. Non-operating income Excess Accruing Resources

Item	Note	2020-21 £'000	2019-20 £'000
Principal Repayments of voted loans		-	-
Proceeds on Disposal of property, plant and equipment		-	-
Other		-	-
Non-operating income – Excess Accruing Resources		**-**	**-**

The notes on pages 65 – 88 form part of these accounts.

Budgeting Framework

The DoF is responsible for management of the Executive's budget process in line with a budgetary framework set by HM Treasury.

The total amount that the Commission spends is referred to as the Total Managed Expenditure (TME), which is split into:

- Annually Managed Expenditure (AME);
- Departmental Expenditure Limit (DEL).

HM Treasury, and in turn DoF, do not set firm AME budgets. They are volatile or demand-led in a way that the Commission cannot control. The Commission monitors AME forecasts closely and this facilitates reporting to DoF, who in turn report to HM Treasury.

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

Although not part of the Executive, the Commission ensures that its budgetary requirements are co-ordinated with the Executive's budgeting processes.

DEL budgets are classified into resource and capital.

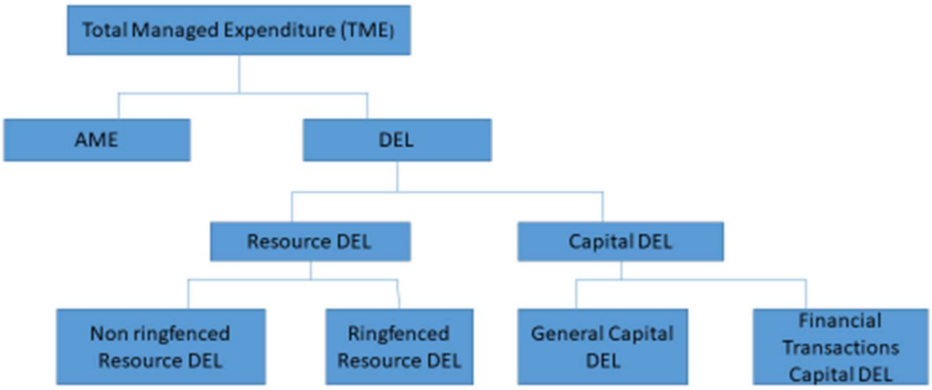
- Resource budgets are further split into non-ringfenced resource that pays for programme delivery and running costs, and separately ringfenced resource that covers non-cash charges for depreciation and impairment of assets.
- Capital DEL is split into 'financial transactions' for loans given or shares purchased and 'general capital' for spending on all other assets or investments. The Commission does not have financial transactions capital.

The information contained within budgetary controls does not currently read directly to financial information presented in Financial Statements due to a number of misalignments. It is intended that the Executive's Review of Financial Process will help address these differences and improve transparency.

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

https://www.gov.uk/government/publications/consolidated-budgeting-guidance-2021-to-2022.

Budget Structure



Budgetary Performance

Details of the Commission's performance against its Budgetary Control totals are set out in the table below.

	SSE 2020-21 £000	Outturn 2020-21 £000	Underspend / (Overspend) £000
Resource DEL	**45,081**	**42,160**	**2,921**
Including			
Non-ringfenced	41,791	39,135	2,656
Ringfenced D/I	3,290	3,025	265
Capital DEL	**970**	**929**	**41**
Including			
General Capital	970	929	41
FTC	-	-	-
Total DEL	**46,051**	**43,089**	**2,962**
AME	**2,700**	**408**	**2,292**
Including			
AME Resource	2,700	408	2,292
AME Capital	-	-	-
Total Managed Expenditure	**48,751**	**43,497**	**5,254**

Explanation of Variances

Further explanation for variances is set out in the Performance Overview on page 11.

For Resources DEL, the largest contributor to the underspend of £2.921 million came about through less expenditure on the allowances payable to Members in respect of the operation of their constituency offices (£1.826 million). A further £0.351 million was underspent on staff salaries with £0.372 million underspent on Admin Costs associated with the running costs incurred in Parliament Buildings.

For Capital DEL, outturn of £0.929 million against the SSE position of £0.970 million – an underspend of £0.041 million – resulted from a small number of projects where expenditure was not capable of being incurred prior to the year-end due to delays in procuring goods as a result of COVID-19 supply issues.

For AME, an underspend of £2.292 million resulted from a credit of £2.100 million relating to past service cost on the AMPS.

Other Assembly Accountability Disclosures *(audited)*

Regularity of expenditure (audited information)

i. Losses and special payments

There were two Losses or Special Payments (2019-20 Nil) identified during 2020-21. However, none of these exceeded £250,000 either individually or cumulatively during the year.

ii. Fees and Charges

A detailed analysis of fees and charges information is not provided as the income and full cost of each service are immaterial.

iii. Remote Contingent Liabilities

In addition to contingent liabilities reported within the meaning of IAS37, the Assembly also reports liabilities for which the likelihood of a transfer of economic benefit in settlement is too remote to meet the definition of contingent liability. No remote contingent liabilities exist at the reporting date.

I hereby approve the Commission's Resource Accounts for the year ended 31 March 2021.

Signed:

Lesley Hogg
Accounting Officer
Clerk/Chief Executive
Date: 24 June 2021

NORTHERN IRELAND ASSEMBLY COMMISSION

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 Assembly Commission for the year ended 31 March 2021 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. These financial statements have been prepared under the accounting policies set out within them. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRS) as adopted by the European Union and interpreted by the Government Financial Reporting Manual.

I have also audited the Statement of Outturn against Assembly Supply, and the related notes, and the information in the Accountability Report that is described in that report as having been audited.

In my opinion the financial statements:

- give a true and fair view of the state of the Department's affairs as at 31 March 2021 and of its net operating expenditure for the year then ended; and
- have been properly prepared in accordance with the Government Resources and Accounts Act (Northern Ireland) 2001 and Department of Finance directions issued thereunder.

Opinion on regularity

In my opinion, in all material respects:

- the Statement of Outturn against Assembly Supply properly presents the outturn against voted Assembly control totals for the year ended 31 March 2021 and shows that those totals have not been exceeded; and
- the expenditure and income recorded in the financial statements have been applied to the purposes intended by the Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK), applicable law and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of this certificate.

My staff and I are independent of the Northern Ireland Assembly Commission in accordance with the ethical requirements of the Financial Reporting Council's Revised Ethical Standard 2019, and have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my opinions.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the Northern Ireland Assembly Commission'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 Assembly Commission'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 the Northern Ireland Assembly Commission 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. My opinion on the financial statements does not cover the other information and except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Accountability Report to be audited have been properly prepared in accordance with Department of Finance directions made under the Government Resources and Accounts Act (Northern Ireland) 2001; and
- the information given in the Performance Report and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

In the light of the knowledge and understanding of the Northern Ireland Assembly Commission and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance Report and Accountability Report.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and the parts of the Accountability Report to be audited are not in agreement with the accounting records; or
- certain disclosures of remuneration specified by the Government Financial Reporting Manual are not made; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with the Department of Finance's guidance.

Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for:

- the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- such internal controls as the Accounting Officer determines is necessary to enable the preparation of financial statements that are free form material misstatement, whether due to fraud or error;
- assessing the Northern Ireland Assembly Commission's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

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 Assembly Commission through discussion with management and application of extensive public sector accountability knowledge. The key laws and regulations I considered included the Government Resources and Accounts Act (Northern Ireland) 2001 and the Assembly Members (Salaries and Expenses) (Amendment) Determination (Northern Ireland) 2020;
- making enquires of management and those charged with governance on the Northern Ireland Assembly Commission'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;
- completing risk assessment procedures to assess the susceptibility of the Northern Ireland Assembly Commission'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 following areas: management override of controls relating to the posting of unusual journals and the use of estimates in the financial statements, payments to members, and travel and subsistence;
- 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;
- documenting and evaluating the design and implementation of internal controls in place to mitigate risk of material misstatement due to fraud and non-compliance with laws and regulations;
- designing audit procedures to address specific laws and regulations which the engagement team considered to have a direct material effect on the financial statements in terms of misstatement and irregularity, including fraud. These audit procedures included, but were not limited to, reading board and committee minutes, and agreeing financial statement disclosures to underlying supporting documentation and approvals as appropriate.
- addressing the risk of fraud as a result of management override of controls by:
    - performing analytical procedures to identify unusual or unexpected relationships or movements;

- testing journal entries to identify potential anomalies, and inappropriate or unauthorised adjustments;
- assessing whether judgements and other assumptions made in determining accounting estimates were indicative of potential bias; and
- investigating significant or unusual transactions made outside of the normal course of business; and

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 Statement of Outturn against Assembly Supply properly presents the outturn against voted Assembly control totals and that those totals have not been exceeded. I am also required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Report
I have no observations to make on these financial statements.

K J Donnelly

KJ Donnelly CB
Comptroller and Auditor General
Northern Ireland Audit Office
1 Bradford Court
Upper Galwally
Belfast
BT8 6RB

5 July 2021

The Financial Statements

Statement of Comprehensive Net Expenditure
for the year ended 31 March 2021

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	2020-21 £'000	2019-20 £'000
Revenue from contracts with customers	6	-	-
Other operating income	6	(195)	(172)
Total Operating Income		(195)	(172)
Staff Costs	4, 5	25,684	21,533
Purchase of goods and services	4	13,597	10,644
Depreciation and impairment charges	4	3,024	3,125
Members' Pension finance cost	4	400	4,600
Administrative Provisions	4	8	174
Other Operating Expenditure	4	53	44
Total operating expenditure		42,766	40,120
Net Operating Expenditure		42,571	39,948
Finance Income		-	-
Finance Expense		-	-
Net expenditure for the period		42,571	39,948
Other comprehensive net expenditure Items that will not be reclassified to net operating expenditure:			
Net (gain)/loss on revaluation of Heritage assets, Property, Plant and Equipment	7	462	(7,430)
Net (gain)/loss on revaluation of Intangible assets	8	-	3
Net Actuarial (gain)/loss on pension scheme liabilities	17	(2,300)	(200)
Comprehensive net expenditure for the period		**40,733**	**32,321**

The notes on pages 65 – 88 form part of these accounts.

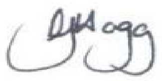
Statement of Financial Position
as at 31 March 2021

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

	Note	2020-21 £'000	2019-20 £'000
Non-current assets:			
Property, plant and equipment, Heritage Assets	**7**	143,993	146,541
Intangible assets	**8**	6	9
Financial Assets	**10**	-	-
Total non-current assets		**143,999**	**146,550**
Current assets:			
Trade and other receivables	**15**	660	524
Cash and cash equivalents	**14**	99	188
Total current assets		759	713
Total assets		**144,758**	**147,262**
Current liabilities			
Trade and other payables	**16**	(3,174)	(2,451)
Other liabilities		-	-
Total current liabilities		(3,174)	(2,451)
Total assets less current liabilities		**141,584**	**144,811**
Non-current liabilities			
Provisions	**17**	(21,281)	(23,174)
Financial Liabilities	**10**		
Total non-current liabilities		**(21,281)**	**(23,174)**
Total assets less total liabilities		**120,303**	**121,637**
Taxpayers' equity & other reserves			
General fund		70,761	73,521
Pension reserve		(21,100)	(23,000)
Revaluation reserve		70,642	71,116
Total equity		**120,303**	**121,637**

The notes on pages 65 – 88 form part of these accounts.

Signed:



Lesley Hogg
Accounting Officer
Clerk/Chief Executive **Date: 24 June 2021**

Statement of Cash Flows
for the year ended 31 March 2021

The Statement of Cash Flows shows the changes in cash and cash equivalents of the Commission during the reporting period. The statement shows how the Commission 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 Commission. Investing activities represent the extent to which cash inflows and outflows have been made for resources which are intended to contribute to the Commission's future public service delivery.

	Note	2020-21 £'000	2019-20 £'000
Cash flows from operating activities			
Net operating expenditure		(42,571)	(39,948)
Adjustments for non-cash transactions	**4**	3,486	7,943
(Increase)/Decrease in trade and other receivables		(136)	(50)
less movements in receivables relating to items not passing through the SOCNE			-
Increase/(Decrease) in trade payables		722	461
less movements in payables relating to items not passing through the SOCNE		59	39
Use of provisions	**17**	-	-
Net cash outflow from operating activities		(38,440)	(31,555)
Cash flows from investing activities			
Purchase of property, plant and equipment	**7**	(891)	(170)
Purchase of intangible assets	**8**	(1)	-
Purchase of heritage assets	**7**	-	-
Net cash outflow from investing activities	**SOAS3**	(892)	(170)
Cash flows from financing activities			
From the Consolidated Fund (Supply) - current year		39,250	31,750
From the Consolidated Fund (Supply) - prior year		-	-
Net financing	**SOAS3**	39,250	31,750
Net increase/(decrease) in cash and cash equivalents in the period before adjustment for receipts and payments to the Consolidated Fund		(82)	25
Payments of amounts due to the Consolidated Fund		(7)	(31)
Net increase/(decrease) in cash and cash equivalents in the period after adjustment for receipts and payments to the Consolidated Fund		(89)	(6)
Cash and cash equivalents at the beginning of the period	**14**	188	194
Cash and cash equivalents at the end of the period	**14**	99	188

The notes on pages 65 – 88 form part of these accounts.

Statement of Changes in Taxpayers' Equity
for the year ended 31 March 2021

This statement shows the movement in the year on the different reserves held by the Commission, 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 of the Commission, to the extent that the total is not represented by other reserves and financing items.

	Note	General Fund £'000	Revaluation Reserve £'000	Pension Reserve £'000	Total Reserves £'000
Balance at 31 March 2019		77,068	63,697	(18,600)	122,165
Net Assembly Funding – drawn down		31,750	-	-	31,750
Net Assembly Funding – deemed supply		180	-	-	180
Supply (payable)/receivable adjustment		(181)	-	-	(181)
Comprehensive Net Expenditure for the Year		(39,948)	7,427	200	(32,321)
CFERs payable to the Consolidated Fund		(7)	-	-	(7)
Non- cash charges - auditors remuneration	**4**	44	-	-	44
Non-cash charges – other		-	7	-	7
Transfers between reserves		4,615	(15)	(4,600)	-
Balance at 31 March 2020		73,521	71,116	(23,000)	121,637
Net Assembly Funding – drawn down		39,250	-	-	39,250
Net Assembly Funding – deemed supply		181	-	-	181
Supply (payable)/receivable adjustment		(42)	-	-	(42)
Comprehensive Net Expenditure for the period		(42,571)	(462)	2,300	(40,733)
CFERs payable to the Consolidated Fund		(50)	-	-	(50)
Non-cash charges - auditors remuneration	**4**	53	-	-	53
Non-cash charges – other		-	7	-	7
Transfers between reserves		419	(19)	(400)	-
Balance at 31 March 2021		70,761	70,642	(21,100)	120,303

The notes on pages 65 – 88 form part of these accounts.

The Northern Ireland Assembly Commission
Annual Report and Accounts 2020-21

Notes to the Resource Accounts

1. Statement of accounting policies

These financial statements have been prepared in accordance with the 2020-21 FReM issued by the DoF. The accounting policies contained in the FReM apply IFRS as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the Commission for the purpose of giving a true and fair view has been selected. The particular policies adopted by the Commission are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

In addition to the primary statements prepared under IFRS, the FReM also requires the Commission to prepare one additional primary statement. The *Statement of Outturn against Assembly Supply* and supporting notes show outturn against Estimate in terms of the net resource requirement and the Net Cash Requirement.

1.1 Accounting convention

These accounts have been prepared under the historical cost convention, modified to account for the revaluation of property, plant and equipment, intangible assets and certain financial assets and liabilities.

1.2 Going Concern

The financial statements for 2020-21 have been prepared on the going concern basis.

1.3 Property, Plant and Equipment

As outlined in paragraph 35 of the International Accounting Standards Board's (IASB's) Framework for the Preparation and Presentation of Financial Statements "*information within financial statements should represent faithfully the transactions that it purports to represent. It is necessary that transactions are accounted for and presented in accordance with their substance and economic reality and not merely their legal form*."

While DoF holds legal title to Parliament Buildings, the Commission is the beneficial owner of Parliament Buildings and as such recognises the property as an asset on its Statement of Financial Position. The building has been stated at the last professionally revalued amount (based on fair value). The valuation was undertaken by Land and Property Services (LPS), having regard to IFRS as applied to the United Kingdom public sector and in accordance with HM Treasury guidance, International Valuation Standards and the requirements of the current edition of the Royal Institution of Chartered Surveyors (RICS) Valuation - Professional Standards. Professional valuations are undertaken every five years with appropriate interim valuations in the intervening years. In addition, the building is revalued annually by a LPS professional valuer assessment and through the use of appropriate indices.

Other non-current assets are capitalised at their cost of acquisition (including any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended) and are revalued annually by reference to appropriate indices compiled by the Office for National Statistics. The threshold for capitalisation as a non-current asset is £500 for IT equipment and £1,000 for all other assets.

Assets are pooled where there are a large number of certain types of asset which, if treated singly, would fall below the capitalisation threshold, but which, if aggregated, have a value exceeding £1,000. Assets which have been pooled include computer hardware, office equipment and office furniture. Depreciation on the value of these assets is charged to the Statement of Comprehensive Net Expenditure.

Subsequent expenditure is included in the carrying amount of the asset in the same way as the initial spend if it is probable that there will be future economic benefit and the cost can be reliably measured. Any parts of an asset that are replaced are derecognised.

Revaluation losses are charged firstly against any existing revaluation surplus, with any remaining charge being expensed to the Statement of Comprehensive Net Expenditure.

1.4 Heritage assets

Heritage assets are those that "are intended to be preserved in trust for future generations because of their cultural, environmental and historical associations". Heritage assets generally display the following characteristics:

- their value is unlikely to be fully reflected in a financial value derived from price;
- there are severe restrictions on disposal;
- they are often irreplaceable, and their value may increase over time even if their physical condition deteriorates;
- they may require significant maintenance expenditure so that they can continue to be enjoyed by future generations; and
- their life is measured in hundreds of years.

In accordance with the FReM, non-operational heritage assets purchased within the accounting period are valued at cost. For existing non-operational heritage assets where there is a market in assets of that type, they are valued at market value for existing use or otherwise at depreciated replacement cost. Valuations are performed by experts in the field of art and antiques and are carried out with sufficient frequency to ensure that the valuations remain current. Where the asset could not or would not be replaced the value is nil. All heritage assets are valued and incorporated within the asset register.

1.5 Donated assets

These are assets donated by third parties, either by gift of the assets or funds to buy the asset. Donated assets are recognised as income in the Statement of Comprehensive Net Expenditure when received unless there are conditions on their use which, if not met, would mean that the donated asset must be returned. In such cases, the income is deferred and released when the conditions are met.

1.6 Intangible Assets

Intangible Assets are assets which are identifiable, non-monetary assets without physical substance, e.g. computer software. Intangible assets are recognised at cost and subsequently carried at a revalued amount as described in paragraph 1.3. They are depreciated as described in paragraph 1.7 below.

1.7 Depreciation

Property, Plant and Equipment assets and Intangible assets are depreciated at rates calculated to write them down to estimated residual value on a straight-line basis over their estimated useful lives. Depreciation is charged in the month of acquisition. No depreciation is provided on freehold land and Art and Antiquities (Heritage Assets) since they have unlimited or very long estimated useful lives. The principal asset lives used for depreciation purposes are:

	Life (years)
Buildings	50
Information technology	4
Office equipment	5
Furniture & fittings	between 5 and 10

1.8 Impairment of Assets

An impairment loss is recognised when the recoverable amount of an item of Property, Plant and Equipment or an intangible asset falls below the carrying amount. It is recognised as an expense in the Statement of Comprehensive Net Expenditure, unless it relates to a previously revalued asset when it should be recognised against any existing revaluation surplus for the asset to the extent that the loss does not exceed the amount of the revaluation surplus of the asset. Once the loss is recognised, the depreciation charge is adjusted for future periods to allocate the asset's revised carrying amount less residual value on a systematic basis over the remaining useful life.

1.9 Revenue

Revenue is income that relates directly to the ordinary activities of the Commission. It comprises:

- sale of souvenir stock;

- hosting events – recovery of cost;
- mobile phone – recovery of cost;
- stationery - recovery of cost;
- postage - recovery of cost; and
- recoupment of salary costs of staff seconded to other public sector bodies.

This includes both accruing resources of the Vote and income to the Consolidated Fund that DoF has agreed should be treated as revenue.

1.10 Administration and programme expenditure

The Statement of Comprehensive Net Expenditure is required to be analysed between administration and programme income and expenditure. For the Commission all costs incurred are programme costs, incorporating payments of allowances and other disbursements by the Assembly.

1.11 Foreign exchange

Transactions which are denominated in a foreign currency are translated into sterling at the exchange rate ruling on the date of each transaction.

1.12 Employee Benefits

Where an employee has provided a service during the accounting period, in exchange for an employee benefit to be paid at some point in the future, the Commission recognises the undiscounted amount of the benefit as an expense in the Statement of Comprehensive Net Expenditure for the period. Such benefits include wages, salaries, social security contributions, paid annual leave or flexi leave and paid sick leave.

1.13 Pensions

Present and past employees are covered by the provisions of the Principal Civil Service Pension Scheme NI (PCSPS (NI)). This defined benefit scheme is unfunded. The Commission 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 PCSPS (NI) of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS (NI).

Pension benefits for Members are provided through the Assembly Members Pension Scheme (Northern Ireland) 2016 (AMPS). The provisions of the scheme are set by the Assembly Members (Pensions) Determination (Northern Ireland) 2016, which was issued in April 2016. This introduced a Career Average Revalued Earnings (CARE) scheme for new and existing members. Existing members born on or before 1 April 1960 retain their Final Salary pension arrangements under transitional protection until 6 May 2021. This element of the scheme is a defined benefit scheme, which provides benefits on a "final salary" basis at a normal retirement age of 65 (or age 60, if reckonable service is more than 20 years, with a sliding scale from 60 to 65). Members opt to pay contributions of either 12.5% (2019-20; 12.5%) of pensionable salary, including officeholder's salary or 9% (2019-20; 9%) of pensionable salary, including officeholder's salary. Members in the CARE scheme pay 9% of pensionable salary. Members in the CARE scheme have a pension age aligned to their State Pension Age. AMPS 2016 replaced the 2012 scheme.

All pensions increase in line with the CPI once in payment.

The valuation of AMPS is carried out by the Government Actuary's Department (GAD). The Commission's accounting policy is to provide for an amount equivalent to the annual service cost for the pension scheme with the remaining movement in actuarial gain/loss being accounted for between Revenue and Pension Reserves. Any liabilities of the fund arising from a deficit on assets will be met through increased funding by the Assembly through the Northern Ireland Consolidated Fund.

Claims of age discrimination have been brought in relation to the terms of transitional protection by groups of firefighters and members of the Judiciary. The Court of Appeal handed down its judgement on this claim on 20 December 2018 and ruled that the transitional protection arrangements were discriminatory on the basis of age. On 27 June 2019, the Supreme Court gave notice that permission to appeal McCloud had been refused.

As a result of the notice, GAD was instructed by the Trustees of AMPS to include an allowance in the end of year disclosures for the additional liability potentially arising from the McCloud judgement. The additional liability has been included as a past service cost.

Since last year, HM Treasury have set out further information on the members expected to be eligible for the McCloud remedy in the main public sector schemes, which restricts the members who will be in scope for the remedy. The AMPS is not covered by the HM Treasury consultation document, but it is likely to take a similar approach to determining which members are in scope.

As a result of the further information received, GAD have amended the allowance for McCloud in last year's AMPS accounts by assuming that only members who were active on 1 April 2015 and 6 May 2016 would be eligible for any McCloud remedy within the scheme. This produces a negative past service cost in 2020-21 (£2.1m).

1.14 Provisions

The Commission provides for legal or 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 significant, the estimated risk-adjusted cash flows are normally discounted using the HM Treasury discount rate. However, the discount rate used for the provision for pension costs was 2.00% p.a. reflecting the real yields experienced in the bond markets (see Note 17.1).

1.15 Contingent liabilities

In addition to contingent liabilities disclosed in accordance with IFRS 37, the Commission 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*. These comprise:

- Items over £250,000 (or lower where required by specific statute) that do not arise in the normal course of business and which are reported to the Assembly by Assembly Minute prior to the Commission entering into the arrangement;

- All items (whether or not they arise in the normal course of business) over £250,000 (or lower where required by specific statute or where material in the context of resource accounts) which are required by the FReM to be noted in the resource accounts.

Where the time value of money is material, contingent liabilities which are required to be disclosed under IFRS 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 IFRS 37 are stated at the amounts reported to the Assembly.

1.16 Value added tax

In the Commission output tax generally does not apply and input tax is recovered on a monthly basis from DoF. Where input tax is recoverable, the amounts are stated net of VAT.

1.17 Leases

Where substantially all risks and rewards of ownership of a leased asset are borne by the Commission, the asset is recorded as a tangible asset and a debt is recorded to the lesser for the minimum lease payments discounted by the interest rate implicit in the leases. These are known as Finance Leases and the interest element of the lease payment is charged to the Statement of Comprehensive Net Expenditure over the period of the lease at a constant rate in relation to the balance outstanding.

Other leases are regarded as operating leases and the rentals are charged to the Statement of Comprehensive Net Expenditure on a straight-line basis over the term of the leases.

1.18 Impending application of newly issued accounting standards not yet effective

IFRS 16 Leases replaces IAS 17 Leases and is effective with EU adoption from 1 January 2019. In line with the requirements of the FReM, IFRS 16 will be implemented, as interpreted and adapted for the public sector, with effect from 1 April 2022.

IFRS 17 Insurance Contracts will replace IFRS 4 Insurance Contracts and is effective for accounting periods beginning on or after 1 January 2023. In line with the requirements of the FReM, IFRS 17 will be implemented, as interpreted and adapted for the public sector, with effect from 1 April 2023.

The IASB issued new and amended standards (IFRS 10, IFRS 11 & IFRS 12) that affect the consolidation and reporting of subsidiaries, associates and joint ventures. These standards were effective with EU adoption from 1 January 2014.

Accounting boundary IFRS are currently adapted in the FReM so that the Westminster departmental accounting boundary is based on ONS control criteria, as designated by HM Treasury. A similar review in Northern Ireland, which will bring Northern Ireland Departments under the same adaptation, has been carried out and the resulting recommendations were agreed by the Executive in December 2016. With effect from 2022-23, the accounting boundary for Departments will change and there will also be an impact on Departments around the disclosure requirements under IFRS 12. Arms-Length Bodies apply IFRS in full and their consolidation boundary may have changed as a result of these Standards.

2 Statement of Operating Expenditure by Operating Segment

As required under Section 40 (4) of the Northern Ireland Act 1998, the Commission is responsible for ensuring that the necessary property, staff and services are provided to support the successful operation of the Assembly. The Commission’s purpose and that of its Secretariat is to serve and support the Assembly in its role of representing the interests of the electorate; making effective legislation and influencing the Executive and holding it to account.

Although the Secretariat has an internal structure comprising three Directorates, these Directorates are essentially support functions in the pursuit of the organisation’s overall aim - to ensure the provision of resources and services enabling the Commission to meet its legal obligations. It is at an overall organisational level that performance information is routinely reported to and reviewed by SMG. As such, the Commission considers that it operates with a single Operating Segment.

3 Other Administration Expenditure

All expenditure incurred by the Commission are programme costs, incorporating payments of allowances and other disbursements by the Assembly.

4 Programme Expenditure

	Note	2020-21 £'000	2019-20 £'000
Staff Costs			
Wages and Salaries	5	19,355	15,614
Social Security Costs	5	1,938	1,656
Other Pension Costs	5	4,391	4,263
Payments to Members			
Constituency costs (incl staff)		8,074	5,416
Members' winding-up costs		3	23
Members' Other costs (incl Travel)		327	297
Party Allowance		631	695
Other Costs			
Premises		1,063	1,153
Office running costs		354	256
Contracted services		1,755	1,456
Repairs & maintenance		1,045	1,066
Staff travel, subsistence and training		64	114
Miscellaneous expenses		280	168
Rentals under operating leases		-	-
Total cash items		**39,280**	**32,177**
Non-cash items			
Depreciation		3,018	3,118
Pension Finance costs		400	4,600
Permanent diminution of assets		3	7
Reversal of previous impairment loss		4	-
Miscellaneous notional charges		-	-
Auditor's remuneration and expenses (notional)		53	44
Release of provisions		-	-
Provisions: provided in year	**17**	8	174
(Profit)/Loss on disposal of assets		-	-
Total non-cash items		**3,486**	**7,943**
Total		**42,766**	**40,120**

5 Member and Staff Related costs

5.1 Staff numbers and related costs

Staff costs comprise:

	2020-21	2019-20
	£'000	£'000
	Total	**Total**
Wages and salaries	19,355	15,614
Social security costs	1,938	1,656
Other pension costs	4,391	4,263
Sub Total	**25,684**	**21,533**
Less recoveries in respect of outward secondments	(139)	(145)
Total net costs *	**25,545**	**21,388**

* Of the total, £0 has been charged to capital.

A breakdown of the above costs into permanent staff, Members costs and others can be found in the Remuneration and Staff Report within the Accountability report.

5.2 Assembly Members' Pension Scheme

The amounts recognised in the Statement of Financial Position are as follows:

	Note	2020-21 £'000	2019-20 £'000
Present value of scheme liabilities		(64,100)	(57,200)
Fair value of scheme assets		43,000	34,200
Net liability	**17**	(21,100)	(23,000)

Amount in the Statement of Financial Position:

	Note	2020-21 £'000	2019-20 £'000
Liabilities		(21,100)	(23,000)
Assets		-	-
Net liability	**17**	(21,100)	(23,000)

Analysis of amount charged to the Statement of Comprehensive Net Expenditure:

	Note	2020-21 £'000	2019-20 £'000
Current Service cost		2,700	2,000
Past Service cost		(2,100)	2,800
Interest on pension liability		1,300	1,400
Interest on scheme assets		(800)	(900)
		1,100	5,300

Allocated in the account as:

	Note	2020-21 £'000	2019-20 £'000
Other pension costs (contribution by employer)		700	700
Members' Pension Finance cost (Net)	**5**	400	4,600
		1,100	5,300

Analysis of the amount recognised in Statement of Change in Taxpayer's Equity (SCITE):

	Note	2020-21 £'000	2019-20 £'000
Actual return less interest on scheme assets		7,900	(4,100)
Experience gains and (losses) arising on pension liabilities		800	200
Changes in assumptions		(6,400)	4,100
Net actuarial gain/(losses) recognised in SCITE		2,300	200

Movements in liabilities during the year:

	Note	2020-21 £'000	2019-20 £'000
Liabilities at 1 April		57,200	56,100
Current service cost (net of member contributions)		2,700	2,000
Past service cost		(2,100)	2,800
Member contributions (including net transfers-in)		500	400
Benefits paid during the year		(1,100)	(1,200)
Interest on pension liability		1,300	1,400
Changes in assumptions		6.400	(4,100)
Actuarial (gains)/losses		(800)	(200)
Liabilities at 31 March 2021		64,100	57,200

Movements in assets during the year:

	Note	2020-21 £'000	2019-20 £'000
Assets at 1 April		34,200	37,500
Interest on scheme assets		800	900
Actual return less interest on scheme assets		7,900	(4,100)
Contributions by Commission		700	700
Contributions by Members (including net transfers-in)		500	400
Benefits paid and expenses		(1,100)	(1,200)
Closing fair value of scheme assets 31 March 2021		43,000	34,200

The Commission expects to contribute £0.7m to the Members' Pension scheme in 2021-22.

The major categories of scheme assets are broken down as follows:

	2020-21 £'000	2019-20 £'000
Equities	27,300	18,800
Alternative investments	5,800	4,800
Fixed interest and cash	9,900	10,600
Total major categories of scheme assets	43,000	34,200

Principal actuarial assumptions at the Statement of Financial Position date:

	2020-21 £'000	2019-20 £'000
Discount rate	2.00%	2.25%
Future salary increases	4.15%	4.00%
Future pension increases (CPI)	2.40%	2.00%
Expectation of life at age 65 (years)		
Men	23.8	23.7
Women	25.2	25.1

Sensitivity to main assumptions:

If the assumed rate of return in excess of earnings changes by 0.5% a year, the total actuarial liability would change by 2.0% and the change in total liabilities by circa £1.3m.

If the real rate of return in excess of pension changes by 0.5% the total actuarial liability would change by about 10% and the change in total liabilities by circa £6.4m.

If longevity at retirement were assumed to be 2 years greater, this would increase the total actuarial liability by about 7.5% and would increase total liability by circa £4.8m.

Claims of age discrimination have been brought in relation to the terms of transitional protection by groups of firefighters and members of the Judiciary. The Court of Appeal handed down its judgement on this claim on 20 December 2018 and ruled that the transitional protection arrangements were discriminatory on the basis of age. On 27 June 2019, the Supreme Court gave notice that permission to appeal McCloud had been refused.

Since last year, HM Treasury have set out further information on the members expected to be eligible for the McCloud remedy in the main public sector schemes, which restricts the members who will be in scope for the remedy. The AMPS is not covered by the HM Treasury consultation document, but it is likely to take a similar approach to determining which members are in scope.

As a result of the further information received, GAD have amended the allowance for McCloud in last year's AMPS accounts by assuming that only members who were active on 1 April 2015 and 6 May 2016 would be eligible for any McCloud remedy within the scheme. This produces a negative past service cost in 2020-21 (£2.1m).

Further information on the Assembly Members' Pension Scheme can be found in the annual report and accounts for the scheme ending 31 March 2020 which are published and can be found at:

http://www.niassembly.gov.uk/your-mlas/members-pension-scheme/reports/

6 Income – Other Operating Income

	Note	2020-21 £'000	2019-20 £'000
Recoupment of salaries		139	145
Other Income		56	27
Total		**195**	**172**

Consideration has been given to IFRS 15 – Revenue from Contracts with Customers. There is no material impact on the Commission's income. The Commission will continue to assess future income streams to determine whether they may subsequently meet the conditions for disclosure under the standard.

7 Property, plant and equipment

2020-21

	Land	Buildings	Information technology	Office equipment	Security equipment	Furniture & fittings	Art and antiquities (Heritage)	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation								
At 1 April 2020	6,000	139,195	1,981	3,075	1,194	1,049	624	153,118
Additions	-	60	453	365	-	50	-	928
Donations	-	-	-	-	-	-	-	-
Disposals	-	-	-	(75)	-	(85)	-	(160)
Impairments	-	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-	-
Revaluations	1,000	(4,169)	(3)	8	3	5	-	(3,156)
At 31 March 2021	**7,000**	**135,086**	**2,431**	**3,373**	**1,197**	**1,019**	**624**	**150,730**
Depreciation								
At 1 April 2020	-	-	1,689	2,998	1,116	774	-	6,577
Charged in year	-	2,702	158	47	32	75	-	3,014
Disposals	-	-	-	(75)	-	(85)	-	(160)
Impairments	-	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-	-
Revaluations	-	(2,702)	-	3	3	2	-	(2,694)
At 31 March 2021	**-**	**-**	**1,847**	**2,973**	**1,151**	**766**	**-**	**6,737**
Carrying amount								
At 31 March 2021	**7,000**	**135,086**	**584**	**400**	**46**	**253**	**624**	**143,993**
At 31 March 2020	**6,000**	**139,195**	**292**	**77**	**78**	**275**	**624**	**146,541**
Asset financing								
Owned	**7,000**	**135,086**	**584**	**400**	**46**	**253**	**624**	**143,993**
Financed leased	-	-	-	-	-	-	-	-
On-balance sheet (SoFP) P and other service concessic arrangements	-	-	-	-	-	-	-	-
At 31 March 2021	**7,000**	**135,086**	**584**	**400**	**46**	**253**	**624**	**143,993**

Parliament Buildings is an operational heritage asset which opened in 1932, and as such is included in the Commission's property, plant and equipment figures.

A full valuation of Parliament Buildings and the land on which it is situated was undertaken by Lands and Property Services (LPS) on 31 March 2021. Parliament Buildings is categorised as an in use specialised asset and has been valued to Current Value in existing use by the Depreciated Replacement Cost (DRC) approach (i.e. there is no market-based evidence to support the use of Existing Use Value (EUV) to arrive at Current Value).

Land valued to DRC has been assessed to Current Value, interpreted as EUV, having regard to the cost of purchasing a notional replacement site in the same locality, equally suitable for the existing use and of the same size. The decrease in the valuation between 31 March 2020 and 31 March 2021 is due to a decrease in the value of the building, partly offset by an increase in the value of land.

Other property, plant and equipment are valued using indices reflecting the year-end position obtained from the Office for National Statistics. Donated assets with a carrying amount of £1k are included under Furniture and Fittings.

Non-Operational Heritage Assets relate to the Assembly's art and antiquities. The collection includes a number of paintings, antiques and parliamentary items which were inherited by the Assembly from previous legislatures. Prior to the implementation of IAS 20 the value of these donated assets was represented by a credit balance in the donated asset reserve. Following the removal of this reserve the value of the assets has been recorded in the General Fund as though they were treated as income upon receipt.

The last full valuation of the collection indicated that its value at 24 January 2017 was £865k. This includes £250k in relation to the "Large central gilded bronze chandelier in the central hall" that is on long-term loan to the Assembly from the Royal Collection Trust. This chandelier is not included in the total for Heritage assets on the Statement of Financial Position. This is because the Royal Collection Trust have indicated that they include it in their inventory for accounting purposes. The valuation for the chandelier was received for insurance purposes only. It is intended that a professional valuer will carry out further full valuations of the collection at the later of the commencement of each new mandate or every four years.

All items costing greater than £5k had previously been reviewed in 2019-20 as part of ongoing work on a fixed asset stock take. The continuing COVID-19 pandemic and the resultant restrictions on working practices meant that a decision was taken to remove further assets from the fixed asset register, namely those costing less than £5k but with a Net Book Value (NBV) of nil.

During this exercise a small number of assets were identified that should be more appropriately reclassified as Heritage Assets. However, in order to complete the reclassification, these assets must be professionally valued and this was not possible prior to year-end due to the working restrictions of the COVID-19 pandemic regulations. These assets remain listed as Furniture and Fittings or Equipment and this reclassification will be completed once the professional valuer has resumed his valuation services.

2019-20

	Land	Buildings	Information technology	Office equipment	Security equipment	Furniture & fittings	Art and antiquities (Heritage)	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation								
At 1 April 2019	6,000	134,582	2,084	3,176	1,373	2,766	624	150,605
Additions	-	(25)	175	3	-	1	-	154
Donations	-	-	-	-	-	-	-	-
Disposals	-	-	(288)	(108)	(181)	(1,728)	-	(2,305)
Impairments	-	-	-	-	-	(6)	-	(6)
Reclassifications	-	-	-	-	-	-	-	-
Revaluations	-	4,638	10	4	2	16	-	4,670
At 31 March 2020	**6,000**	**139,195**	**1,981**	**3,075**	**1,194**	**1,049**	**624**	**153,118**
Depreciation								
At 1 April 2019	-	-	1,813	3,069	1,256	2,405	-	8,543
Charged in year	-	2,784	158	36	40	87	-	3,105
Disposals	-	-	(288)	(108)	(181)	(1,728)	-	(2,305)
Impairments	-	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-	-
Revaluations	-	(2,784)	6	1	1	10	-	(2,766)
At 31 March 2020	**-**	**-**	**1,689**	**2,998**	**1,116**	**774**	**-**	**6,577**
Carrying amount								
At 31 March 2020	**6,000**	**139,195**	**292**	**77**	**78**	**275**	**624**	**146,541**
At 31 March 2019	**6,000**	**134,582**	**271**	**107**	**117**	**361**	**624**	**142,062**
Asset financing								
Owned	**6,000**	**139,195**	**292**	**77**	**78**	**275**	**624**	**146,541**
Financed leased	-	-	-	-	-	-	-	-
On-balance sheet (SoFP) PFI and other service concession arrangements	-	-	-	-	-	-	-	-
At 31 March 2020	**6,000**	**139,195**	**292**	**77**	**78**	**275**	**624**	**146,541**

8 Intangible Assets

2020-21

	Information Technology £'000	Software Licences £'000	Total £'000
Cost or valuation			
At 1 April 2020	451	44	495
Additions	1	-	1
Donations	-	-	-
Disposals	-	-	-
Impairments	-	-	-
Revaluations	-	-	-
At 31 March 2021	**452**	**44**	**496**
Amortisation			
At 1 April 2020	442	44	486
Charged in year	4	-	4
Disposals	-	-	-
Impairments	-	-	-
Revaluations	-	-	-
At 31 March 2021	**446**	**44**	**490**
Carrying amount at 31 March 2021	**6**	**-**	**6**
Carrying amount at 31 March 2020	**9**	**-**	**9**
Asset financing			
Owned	-	-	-
Leased	**-**	**-**	**-**
At 31 March 2021	**-**	**-**	**-**

2019-20

	Information Technology £'000	Software Licences £'000	Total £'000
Cost or valuation			
At 1 April 2019	633	131	764
Additions	-	-	-
Donations	-	-	-
Disposals	(182)	(84)	(266)
Impairments	-	(3)	(3)
Revaluations	-	-	-
At 31 March 2020	**451**	**44**	**495**
Amortisation			
At 1 April 2019	618	121	739
Charged in year	6	7	13
Disposals	(182)	(84)	(266)
Impairments	-	-	-
Revaluations	-	-	-
At 31 March 2020	**442**	**44**	**486**
Carrying amount at 31 March 2020	**9**	**-**	**9**
Carrying amount at 31 March 2019	**15**	**10**	**25**
Asset financing			
Owned	-	-	-
Leased	**-**	**-**	**-**
At 31 March 2020	**-**	**-**	**-**

9 Capital and Other Commitments

9.1 Capital Commitments

Capital expenditure authorised at 31 March 2021 was as follows:

	2020-21 £'000	2019-20 £'000
Contracted capital commitments at 31 March not otherwise included in these financial statements:		
Property, plant and equipment:	-	170
Intangible assets:	-	-
As at 31 March 2021	**-**	**170**

9.2 Commitments under leases

9.2.1 Operating Leases

There are no obligations under operating leases.

9.2.2 Finance Leases

There are no obligations under finance leases.

9.3 Other financial commitments

The Commission has not entered into any non-cancellable contracts (which are not leases or PFI contracts or other service concession arrangements). Therefore, the Commission has no material financial commitments as at the 31 March 2021. Contracts are awarded under a standard set of terms and conditions which provide the Commission with a termination clause, where the contract may be appropriately terminated by giving the contractor not less than 30 days' notice.

10 Financial instruments

As the cash requirements of the Commission are met through the Estimates process, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body of a similar size. The majority of financial instruments relate to contracts for non-financial items in line with the Commission's expected purchase and usage requirements and the Commission is therefore exposed to little credit, liquidity or market risk.

11 Investments and loans in other public sector bodies

The Assembly has no investments or loans in other public sector bodies.

12 Assets classified as Held for Sale

There are no assets classified as Held for Sale.

13 Inventories

The Assembly does not hold any inventories.

14 Cash and cash equivalents

	2020-21 £'000	2019-20 £'000
Balance at 1 April	188	194
Net change in cash and cash equivalent balances	(89)	(6)
Balance at 31 March 2021	**99**	**188**
The balances at 31 March were held at:		
Commercial banks and cash in hand	**99**	**188**

14.1 Reconciliation of liabilities arising from financing activities

The Net Assembly Funding drawn down from the Consolidated Fund during the year, excluding prior year, was £39.25m (2019-20; £31.75m). The amounts issued from the Consolidated Fund for supply but not spent at year end was £0.060m (2019-20; £0.181m).

There are no other liabilities arising from financial activities that need to be disclosed.

15 Trade receivables and other current assets

	2020-21 £'000	2019-20 £'000
Amounts falling due within one year:		
VAT	321	137
Prepayments and accrued income	304	302
Other receivables	35	85
Amounts due from the Consolidated Fund in respect of supply	-	-
	660	**524**
Amounts falling due after more than one year:	**-**	**-**

Included within "Other receivables" is £Nil (2019-20; £7,311) that will be due to the Consolidated Fund in respect of excess accruing resources, once the debts are collected.

16 Trade payables and other liabilities

	2020-21 £'000	2019-20 £'000
Amounts falling due within one year:		
Other taxation and social security	1,354	1,066
Other payables	175	65
Accruals and deferred income	1,545	1,126
Amounts issued from the Consolidated Fund for supply but not spent at year end	43	181
Consolidated Fund extra receipts due to be paid to the Consolidated Fund:		
Received	57	7
Receivable	-	7
	3,174	**2,452**
Amounts falling due after more than one year:	**-**	**-**

Accruals and deferred income relate to both Member's Constituency Costs Expenditure and the Assembly Secretariat.

17 Provisions for liabilities and charges

Under International Accounting Standard 19, a liability of £21.1m is recognised for the Assembly Members' Pension Scheme (Northern Ireland) 2016 (AMPS). Further information on this is provided in the Remuneration and Staff report on pages 31 to 45.

	2020-21			2019-20		
	Pension Provision £'000	Provision Other £'000	Total £'000	Pension Provision £'000	Provision Other £'000	Total £'000
Balance at 1 April	23,000	174	23,174	18,600	-	18,600
(Decrease)/increase	(1,900)	8	(1,892)	4,400	174	4,574
Utilised in-year	-	-	-	-	-	-
Balance at 31 March 2021	21,100	182	21,282	23,000	174	23,174

This includes the pension finance cost of £0.4m (2019-20; £4.6m), Past Service Cost write-back of £2.1m (2019-20; £2.8m) and the net actuarial (loss)/gain of £2.3m (2019-20; £0.2m).

17.1 Pension Costs

Pension benefits for Members are provided through AMPS. The provisions of the scheme are set by the Assembly Members (Pensions) Determination (Northern Ireland) 2016, which was issued in April 2016. This introduced a Career Average Revalued Earnings (CARE) scheme for new and existing members.

Existing members born on or before 1 April 1960 retain their Final Salary pension arrangements under transitional protection until 6 May 2021. This element of the scheme is a, defined benefit scheme, which provides benefits on a "final salary" basis at a normal retirement age of 65 (or age 60, if reckonable service is more than 20 years, with a sliding scale from 60 to 65). Members opt to pay contributions of either 12.5% (2019-20 12.5%) of pensionable salary, including officeholder's salary or 9% (2019-20 9%) of pensionable salary, including officeholder's salary. Members in the CARE scheme pay 9% of the pensionable salary. Members in the CARE scheme have a pension age aligned to their State Pension Age.

The rules of AMPS require the employer to meet the balance of the cost of providing the benefits as recommended by the actuary from time to time. There is a current liability of £21.1 million and, in accordance with FReM and IAS 19 at 31 March 2021, even though the Commission is not the employer, this has been provided for in the 2020-21 financial statements.

Claims of age discrimination have been brought in relation to the terms of transitional protection by groups of firefighters and members of the Judiciary. The Court of Appeal handed down its judgement on this claim on 20 December 2018 and ruled that the transitional protection arrangements were discriminatory on the basis of age. On 27 June 2019, the Supreme Court gave notice that permission to appeal McCloud had been refused.

Since last year, HM Treasury have set out further information on the members expected to be eligible for the McCloud remedy in the main public sector schemes, which restricts the members who will be in scope for the remedy. The AMPS is not covered by the HM Treasury consultation document, but it is likely to take a similar approach to determining which members are in scope.

As a result of the further information received, GAD have amended the allowance for McCloud in last year's AMPS accounts by assuming that only members who were active on 1 April 2015 and 6 May 2016 would be eligible for any McCloud remedy within the scheme. This produces a negative past service cost in 2020-21 (£2.1m).

The value of £21.1 million was estimated by GAD and represents the excess of the scheme liabilities (£64.1 million) over its assets (£43.0 million) at the Statement of Financial Position date. The principal financial assumptions used by GAD to establish the present value of the future obligation were a discount factor of 2.00% (2019-20; 2.25%) (this rate reflects the real yields experienced in the bond markets for high quality corporate bonds rated AA or higher and equivalent in currency and term to the scheme liabilities), the rate of notional investment return in excess of pension increases (CPI) of (0.4%) (2019-20; 0.25%) and notional investment return less than earnings increases of 2.4% (2019-20; 2.00%). Demographic assumptions impacting the incidence of benefit outflow have also been applied including factors such as mortality and withdrawal from service.

The Assembly Members' Pension Fund is administered by Trustees appointed by the Assembly. The Annual Report and Accounts is audited by the Comptroller and Auditor General.

17.2 Litigation

The existing provision in respect of holiday pay for certain staff has been retained at the same level in 2020-21. Recent case law has ruled that staff should be paid their full pay (including overtime) when on annual leave. The Northern Ireland Court of Appeal (NICoA) judgment from 17 June 2019 (PSNI v Agnew) determined that claims for holiday pay shortfall can be taken back to 1998. However, the PSNI has appealed the NICoA judgment to the Supreme Court. The Supreme Court hearing was scheduled for the 23 and 24 June 2021 but this has subsequently been adjourned.

Management has calculated the liability based on the number of days of paid holidays, the period used to calculate pay and the number of years to be paid, but there are still some very significant elements of uncertainty around this estimate including the appeal to the Supreme Court and the ongoing negotiations with NIPSA.

An additional £0.008 million was provided for in respect of a contractual matter.

18 Contingent liabilities

In addition to contingent liabilities reported within the meaning of IAS37, the Commission also reports liabilities for which the likelihood of a transfer of economic benefit in settlement is too remote to meet the definition of contingent liability. No remote contingent liabilities exist at the reporting date.

19 Related-party transactions

The Commission is independent from the Executive for funding purposes. It has a number of transactions with the Executive and with other Government Departments and public bodies. Most of these transactions have been with DoF.

Related party transactions during the financial year with the Department relate to the utilisation of their call-off contracts, for example, for the provision of security and the Dial Network. None of the post-holders within the Assembly holds any post within DoF. Compensation for key management personnel has been disclosed as part of the Remuneration Report, beginning on page 31.

The Commission previously supported the work of the Northern Ireland Assembly and Business Trust (NIABT). The NIABT was an independent educational charity which served to provide Assembly Members with a better insight into how the local business sector operates and to improve the business community’s understanding of how the Assembly and devolution works. The NIABT’s Board of Trustees included MLAs, representatives of the business community and two senior Secretariat staff. The NIABT agreed at its AGM in December 2017 to dissolve the Trust but this action is on hold due to the political situation between 2017 and 2020, a position ratified at the NIABT’s AGM in March 2019.

Following the resumption of Assembly business in January 2020, the process to dissolve the Trust was resumed. However, due to the impact of COVID-19 on businesses and the Assembly, the disbursement of funds will be delayed. This will in turn delay the dissolution of the Trust.

There have been no transactions during 2020-21.

The Commission also works with Politics Plus Limited. Politics Plus was established as an independent and non-partisan organisation with the objective of enhancing the capacity of elected Members of the Assembly and representatives of political parties. This objective directly supports the Commission's Corporate Strategy higher level objective of "investing in the continuing professional development of Assembly Members with a focus on parliamentary and scrutiny skills." During 2020-21 the Politics Plus Board of Trustees included 5 Members.

It has been agreed by the Board of Trustees that Politics Plus will be wound up and responsibility for Members' development has passed to the Commission.

20 Third-party assets

The Commission does not have any assets for which the Commission acts as custodian or trustee but in which neither the entity nor government more generally has a direct beneficial interest.

21 Entities within the Assembly boundary

The Commission does not currently support any Agencies, Non-Departmental Public Bodies (NDPBs) or trading funds.

22 Events after the Reporting Period

There have been no events between the end of the reporting period and the date when the financial statements are authorised for issue which require adjustment or disclosure under IAS10.

Date authorised for issue

The Accounting Officer/Clerk to the Assembly authorised these financial statements for issue on 5 July 2021.

The Speaker

Northern Ireland Assembly

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Mrs Lesley Hogg
Clerk to the Assembly/Chief Executive
Northern Ireland Assembly
Parliament Buildings
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BT4 3XX

12 September 2016

Dear Lesley

DELEGATION OF FUNCTIONS (REVISED JUNE 2014)

The Northern Ireland Assembly Commission ('the Commission') was established by section 40(1) of the Northern Ireland Act 1998 to perform the functions conferred on it by any enactment or any resolution of the Assembly. In particular, section 40(4) confers upon it the function of providing the Assembly, or ensuring that the Assembly is provided, with the property, staff and services required for the Assembly's purposes.

Paragraph 4 of Schedule 5 to the 1998 Act states that the Northern Ireland Assembly Commission may delegate any of its functions to the Presiding Officer or a member of staff of the Assembly. The Clerk/Chief Executive is the senior staff member of the Assembly and as with all staff of the Assembly is responsible to the Commission.

Under paragraph 4 of Schedule 5 of the Act, the Assembly Commission hereby delegates to you all its functions (whether under any enactment or any resolution of the Assembly) including the responsibility for the management of staff subject to the following exceptions and conditions:

(a) matters relating to your appointment, terms and conditions and remuneration;

(b) matters relating to the appointment, terms and conditions and remuneration of any Directors;

(c) your appraisal (the Speaker will deal with this in consultation with Commission members);

(d) final decisions on discipline and grievance issues relating to you, and Directors;

(e) matters relating to salaries and pensions for staff and new or significant variations to terms and conditions and personnel policies which have significant direct budget implications;

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(f) matters relating to the appointment, terms and conditions and remuneration for public and non-executive appointments made by the Commission;

(g) the approval of the annual budget;

(h) the approval of expenditure on capital projects above £1m and service contracts above £1m (whole of life cost);

(i) exercise of the power to borrow money provided by paragraph 3 (4) of Schedule 5 to the Act; and

(j) approval of Consultancy expenditure above £10,000 to be sought from the Speaker, acting as Chair of the Commission.

You must consult the Commission before:

(a) making appointments at Director level;

(b) creating new Director posts or abolishing existing Director posts;

(c) authorising ICT and consultancy projects in excess of £50,000; and

(d) authorising expenditure on matters that could reasonably be regarded as novel or contentious.

The delegation of functions mentioned above does not prevent the exercise of those functions by the Commission.

You may sub-delegate functions mentioned above but this does not prevent the exercise of those functions by the Commission.

In exercising the functions delegated to you, you and any staff to whom you further sub-delegate any functions should act, in accordance with the corporate values included in the Assembly's Corporate Strategy:

(a) ensure propriety in the consumption of resources allocated to the Assembly Commission by following all relevant procedures in procurement and financial control;

(b) seek wherever practicable to take account of environmental and sustainable considerations;

(c) apply the Assembly's rules fairly and equally to all MLAs, in particular in relation to allowances.

You are also required to consult the Assembly Commission on any matters which could reasonably be considered as novel, contentious or potentially politically sensitive.

Yours sincerely

Robin Newton

Robin Newton MBE MLA