Northern Ireland
Assembly

Northern Ireland Assembly Resource Accounts for the Year ended 31 March 2013

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

5 July 2013

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Resource Accounts
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Report and Accounts for the year-ended 31 March 2013

Foreword by the Speaker

I am pleased to present the Annual Report and Accounts for the Northern Ireland Assembly Commission for the 2012-13 financial year. This report fulfils the Commission's requirement to prepare and present an annual report and accounts under the Government Resources and Accounts Act (Northern Ireland) 2001.

In many ways, working at the Northern Ireland Assembly is a privilege which provides tremendous opportunities and experiences but I recognise that it also has its challenges. Like the rest of the public sector, the Assembly Commission is operating in a difficult financial climate with staff providing services against a backdrop of a reduced budget and continuing efficiency reviews.

Working in a parliamentary setting is of course also influenced by the political climate, whether it be through extended hours to facilitate longer sittings or operational issues taking on a political dimension. Often, much of the work of the Assembly goes on behind the scenes unnoticed and with little public awareness of what it takes for plenary, committees, events, Parliament Buildings, and indeed the organisation to function.

In reflecting on 2012-13, I want to use this opportunity to thank all the members of the Assembly Commission and all the staff of the Assembly Secretariat for their efforts to deliver the Assembly Commission's vision of progressive and outstanding parliamentary services despite the pressures. We are, and should be, always seeking ways to improve what we do, but credit should also be given for good work that is undertaken on a daily basis. Public attitudes towards the Assembly are largely shaped by issues outside of the control of the Assembly Commission and Secretariat, issues which should not overshadow the many achievements of which staff can be proud.

William Hay MLA

Annual Report for the year ended 31 March 2013

Executive Summary

The Northern Ireland Assembly Commission presents its Annual Report and Accounts for the financial year ended 31 March 2013.

History and statutory background of the Northern Ireland Assembly

The Northern Ireland Assembly was established as a result of the Belfast Agreement on Friday, 10 April 1998.

The electorate of Northern Ireland endorsed the Belfast Agreement in a referendum held on 22 May 1998, which paved the way for the subsequent legislation, the Northern Ireland Act 1998.

The United Kingdom Parliament devolved powers of government to the Northern Ireland Assembly at midnight on 1 December 1999. The Assembly was then able to govern Northern Ireland in respect of transferred matters; and also reserved matters with the Secretary of State's consent. Excepted matters remain the responsibility of the United Kingdom Parliament.

The Northern Ireland Assembly was however suspended from 14 Oct 2002 to 8 May 2007. During the period of suspension the United Kingdom Government remained committed to trying to achieve a full restoration of devolution. The Northern Ireland Act 2006 established an interim Assembly on 15 May 2006. The Northern Ireland (St Andrews Agreement) Act 2006 established a Transitional Assembly on 24 November 2006 and set the date for elections to a new Northern Ireland Assembly. The Transitional Assembly's purpose was to prepare for the restoration of a devolved government in Northern Ireland in accordance with the St Andrews Agreement. The Northern Ireland (St Andrews Agreement) Act 2006 envisaged a restoration date for the Northern Ireland Assembly of 26 March 2007; however restoration actually occurred on 8 May 2007. From that date work was undertaken to secure the devolution of the final reserved matters. After the devolution of policing and justice functions in April 2012 the only excepted matters remaining are those matters of national importance, e.g. defence, taxation and foreign policy. The Northern Ireland Assembly completed its first full mandate and was dissolved on 24 March 2011 to make way for Assembly elections on 5 May 2011. The first Plenary of the newly elected Assembly took place on 12 May 2011.

The Assembly Commission and the Accounting Officer

Under section 40 of the Northern Ireland Act 1998 the Assembly elects a Commission, which has statutory responsibility for providing the Assembly with the property, staff and services to carry out its business. The Commission is chaired by the Presiding Officer (known under Standing Orders as the "Speaker") and has five other members who are tasked with representing the interest of the Assembly and its 108 elected Members. During suspension, the Assembly Commission was unable to meet and its responsibilities were assumed by the Secretary of State for Northern Ireland. The Assembly Commission has been under the chairmanship of Mr William Hay MLA, in his role as Presiding Officer, from restoration of the Assembly on 8 May 2007.

Details of the meetings attended and the work of the Commission are recorded in the Governance Statement on pages 26 to 35.

As Clerk to the Assembly, Mr Trevor Reaney is the principal adviser to the Assembly. As well as advising the Speaker on all procedural and organisational matters he also undertakes the role of Director General of the Assembly Secretariat and is the Accounting Officer for all the Assembly Commission's expenditure.

The Assembly Secretariat

The Assembly Secretariat staff are employed by the Assembly Commission to provide the Assembly with the supporting services required for the Assembly's purposes.

The work of the Assembly Secretariat is organised and monitored by the Secretariat Management Group (SMG), which was established in August 2008. SMG has responsibility for ensuring effective corporate governance of the Secretariat and ensuring the Secretariat is equipped to fulfil its role in supporting the Members in carrying out their Assembly duties. SMG meets monthly to consider progress on strategic and key management issues. The membership of SMG can be found in the Governance Statement on pages 26 to 35.

A revised Corporate Strategy was adopted by the Assembly Commission for 2012/16 and through it the Assembly Commission continues to guide and direct the strategic activities of the Assembly Secretariat. The Assembly Commission's Vision is:

> "..of *an Assembly which builds a better future for the people of Northern Ireland through fostering a peaceful, stable and prosperous society.*
>
> *…to best serve the Assembly in that task by being at the forefront of providing outstanding and progressive parliamentary services*".

The Strategic Priorities established by the Commission drive the work of the Assembly Secretariat and inform its Corporate Planning process. During the period covered by these Report and Accounts these were as follows:-

1. To provide outstanding parliamentary services;

2. To influence, enable and deliver change;

3. To be an efficient and progressive organisation.

The Assembly Commission established three core values for the Assembly Secretariat, namely:

1 Public service - which is demonstrated by:
- *An attitude of service to the Assembly, its Members and visitors.*
- *Behaving with impartiality and integrity at all times.*
- *Being open and transparent.*

2 *Professionalism - which is demonstrated by:*
- *Commitment to excellence;*
- *Commitment to good governance;*
- *Appropriate confidentiality and discretion;*
- *Personal responsibility and accountability.*

3 *One Team - which is demonstrated by:*
- *Team Working;*
- *Respect for others;*
- *Working to the common purpose.*

These core values are fundamental to everything that the Secretariat undertakes and SMG continues to strive to ensure that they are embedded throughout the whole organisation.

Reporting

The Assembly Commission is required to publish its Annual Report and Accounts, in respect of each financial year. The Annual Report and Accounts provides a comprehensive explanation of the work of the Commission and Assembly Secretariat and provides full details of all Assembly Commission expenditure.

This Annual Report and Accounts covers the work of the Assembly Commission and the Assembly Secretariat in support of the legislature and fulfils the requirements of the Government Resources and Accounts Act (Northern Ireland) 2001. The Assembly's accounts are published annually and once they have been audited are laid before the Assembly. They are available from the Assembly's website: **http://www.niassembly.gov.uk.** They are also available from The Stationery Office. Details of all sums paid to Members and former Members are published quarterly on the Assembly's website.

The Assembly Commission has participated fully in all public expenditure exercises during the year and details of the Assembly Commission's main and supplementary estimates are available from The Stationery Office.

Scope

The Northern Ireland Assembly Commission does not support any agencies, non-departmental public bodies (NDPBs) or trading funds.

Register of interests

The Assembly's corporate body is the Assembly Commission. Commission Members are elected by the Assembly from its membership. Northern Ireland Assembly Standing Order 69(1) requires that a Register of Members' interests be established, published and made available for public inspection. Following the election of a new Assembly on 5 May 2011, a Register of Members' Interests for the fourth mandate was established. This Register is continuously updated. The latest version of the Register can be viewed at:
http://www.niassembly.gov.uk/Documents/Your_MLAs/register-of-interests/register_100413.pdf

Pensions liabilities

Notes 1.14 and 9 to the Accounts and the Remuneration Report on pages 17 to 24 provide details of the pensions liabilities of the Assembly Commission.

Auditors

The Assembly Commission's financial statements are audited by the Comptroller and Auditor General, whose certificate and report appears on page 36 of the Accounts. The notional cost of the work performed by the Northern Ireland Audit Office for 2012-13 was £ 30,000 (2011-12; £30,000) and related solely to audit services.

Disclosure to Auditors

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

Management Commentary

Key Aims and Objectives

The Strategic Priorities established, by the Assembly Commission, to drive the work of the Assembly Secretariat and inform its Corporate Planning process have already been outlined in the Executive Summary on pages 1 to 3

An outline of the work of the Assembly Secretariat may be found within the Corporate Strategy and Directorate and Business area plans. The Corporate Planning process was implemented in 2008-09 and has remained in place and been reviewed on an annual basis. As a result of the rolling review process a new Corporate Strategy for 2012/16 was adopted. This replaces the previous Corporate Plan and informs the Directorate Business Plans which are reviewed annually to ensure the objectives and targets remain relevant and achievable. The overall planning process establishes corporate objectives that are entirely in keeping with the Vision, Purpose and Values expressed by the Assembly Commission. The Aims and Objectives of the Corporate Strategy focus on the continuing delivery of a fully functioning legislature, supported by an Assembly Secretariat that seeks to influence enable and deliver change, efficiently and effectively within the context of wider public sector budgetary pressures and resource constraints. The planning process continues to link the strategic objectives with the lower-level, Business Unit objectives and informs the risk management process.

Principal Activities

Unlike an Executive Department, the Northern Ireland Assembly Commission does not develop Public Service Agreement targets against its Key Objectives. The service delivery aspect of the Assembly Secretariat's work relates to the procedural support, resources and services that it provides to the legislature to enable it to function effectively. Consequently, the outputs reported on are those that were developed internally in the Assembly Secretariat to assist with the assessment of its performance during the year.

The Corporate Plan

The planning and delivery of all the services required for a fully functioning legislature, in the second year of a mandate, supported by an efficient Assembly Secretariat were the main determinants of the objectives contained in the Directorate and Business Area plans for 2012-13. The plans set out objectives and targets and how the Secretariat will work to achieve the strategic priorities in support of the Assembly Commission's vision.

The objectives were augmented by including, for each objective, a measure of success and where appropriate a series of actions/initiatives with responsibility for meeting the objective allocated to a specific individual.

Delivery of the Corporate Strategy

Responsibility for delivery of the outputs agreed in each of the Directorate plans fell to the Assembly's SMG. Regular updates on performance against each of the supporting targets in the Plans are received from managers across the organisation and presented to SMG quarterly.

Annex B on page 72 summarises for each strategic aim those Directorate objectives which have not been achieved at 31 March 2013.

Future developments

The Vision, Values and Strategic Aims of the Assembly Commission inform the corporate planning process. It also provides a focus for the Assembly Secretariat's future intentions, building on the achievements and significant progress that was made from the date of restoration. One of the targets identified under the Corporate Strategy is to reshape the organisation, reviewing and streamlining structures, systems and seeking to innovate to meet the changing needs of the Assembly. As part of this work an Organisational Redesign review was commissioned, with the Final report to be presented to the Assembly Commission in April 2013. The Assembly Commission will then consider the report in detail, however under the continuing implementation of the Corporate Strategy it is not anticipated that future activities will require significant additional funding beyond the amounts already notified to the Department of Finance and Personnel (DFP).

Principal risks and uncertainties

Following the restoration of the Assembly on 8 May 2007, the principal risks and uncertainty relating to the work of the Assembly arose from the on-going political environment. Although the Assembly has now completed the second year of a fourth mandate, political uncertainty or instability still affords the greatest risk to the Assembly.

Internally, the principal risks to the Assembly Commission and Secretariat are identified and managed through a risk management regime. The Secretariat Management Group is responsible for both the corporate planning process and Risk Management Policy. The on-going corporate planning process and the administration of the Risk Management Policy, provides a strong emphasis on the identification and management of risks.

Further details on the Assembly Secretariat's capacity to handle risk, the risk and control framework within which the Assembly operates, and a review of effectiveness of the system of internal control are provided in the Governance Statement on pages 26 to 35.

Events after the Reporting Period

There are no events occurring after the 31 March 2013 that require disclosure or amendment to the figures contained in the Resource Account.

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

The Northern Ireland Assembly 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. It continues to actively pursue arrangements for flexible working patterns and is committed to creating a culture in which individual differences are valued and respected. The Northern Ireland Assembly Commission does not tolerate any form of discrimination, harassment or victimisation. It is committed to providing a working environment where no one is disadvantaged.

Sickness Absence

There was an average absence rate of 4.8 % during 2012-13 (4.2% in 2011-12). 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 annum, however the average number of days lost due to sickness for 2012-13 was 10.6 days. A number of actions have been implemented to address this issue and ensure that the benchmark is once again achieved.

Personal Data Incidents

There have been no personal data related incidents or data losses during the year.

Consultation with employees

The Assembly Commission and senior management make every effort to ensure that all staff are kept informed of the organisation's plans and developments. The main channels of communication continue to include formal industrial relations processes (through the work of the Employee Relations Group and the Employee Relations Board), the intranet, office circulars, e-mail, regular team briefings and the Clerk/Director General's comments/questions boxes. While the overall responsibility for internal communications lies with the Information and Outreach Directorate, the Internal Communications Working Group provides advice and guidance on internal communications in the Assembly Secretariat. This group aims to ensure that internal communications are of a high and appropriate standard. During the reporting period this group continued to meet regularly, reporting quarterly to the Secretariat Management Group and advising on the communication of a wide number of issues, including the on-going work of the Business Efficiency Programme, Vacancy Management Group and Roof Replacement Project.

Staff are also kept informed of all developments in relation to strategic and corporate issues through internal postmasters and the minutes of Secretariat Management Group meetings, which are published on the internal intranet, AssISt. During the reporting period the Clerk/Director General continued to hold staff briefing sessions, which provided a forum for all staff to ask questions regarding crucial staffing matters and to hear about relevant issues as they arose or as decisions had been made. The speaking notes for these sessions are published on AssISt.

The quarterly magazine called "Life on the Hill" continues to be produced, providing a light hearted look at the work and achievements of the Secretariat. This is now produced electronically.

Policy on payment of suppliers

The Northern Ireland Assembly 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 payment is due within 30 days after delivery of the invoice or the goods or services, whichever is latest.

During 2012-13 the Assembly Commission paid 98.7% of bills, without queries, within this standard (2011-12, 98.5%).

In addition to this the Assembly Commission has sought to comply with the initiative that was introduced in 2008-09 by DFP to pay all supplier payments within a suggested target of 10 days. During the year 96.2% of invoices were paid within 10 days of being received (2011-12, 95.3%).

The Assembly Commission made no payment of interest under the Late Payment of Commercial Debts (Interest) Act 1988 during the year ended 31 March 2013.

Charitable donations

The Assembly Commission has not made any charitable donations in the year.

Off-Payroll Engagements

The Assembly Commission had no Off-Payroll Engagements at a cost of over £58,200 in place as at 31 January 2012.

Corporate Governance Report

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.

In September 2005, the Department of Finance and Personnel (DFP) issued H.M. Treasury's publication "Corporate Governance in Central Government Departments: Code of Good Practice". H.M. Treasury issued a revised code for central government departments in July 2011; however DFP have indicated that the full content and application of this revised code has been considered and they have issued a new Code and guidance which will apply to Northern Ireland Government Departments from April 2013. The Northern Ireland Assembly Commission is not a government department and therefore not all of the provisions in the codes and guidance are appropriate or relevant.

This section of the Management Commentary is complimented by the detail given with the Governance Statement on pages 26 to 35.

The Management Structure

The Northern Ireland Assembly Commission has a two-tier management arrangement. While the Assembly Commission has the legislative authority to provide the Assembly with the wide range of services needed by a modern legislature, the day to day delivery of those services is achieved through a formal delegation to the Clerk/Director General.

The Secretariat Management Group (SMG) is chaired by the Clerk/Director General and has responsibility for the delivery of the work of the Assembly Secretariat. In addition to the Clerk/Director General, the Group comprises the Director of Clerking and Reporting, the Director of Corporate Services, the Director of Information and Outreach, the Director of Facilities and the Director of Legal and Governance Services.

SMG meets monthly and has responsibility for supporting the Commission in determining the strategic direction of the Assembly Secretariat, including responsibility for the following:

- Developing and implementing strategy;
- Reviewing the progress on important operational issues including performance management, Finance and HR matters;
- Audit and accountability;
- Reviewing and implementing the Risk Management Strategy.

Details of on the membership of SMG, its role and structure can be found in the Governance Statement on pages 26 to 35.

For the purposes of this Report, the corporate governance arrangements have been applied to the management team charged with the delivery of the services on behalf of the Assembly Commission.

The Remuneration Report within these Annual Report and Resource Accounts contains information about the salary and pension entitlements of the Secretariat Management Group. Claims for reimbursement of expenses are published quarterly on the Assembly Website which can be accessed using the following link:

http://www.niassembly.gov.uk/ABOUT-THE-ASSEMBLY/Corporate-Information/Secretariat/Principal-Officers-and-Officials/Directors-Expenses/

These appointments are held on a continuing basis.

Audit Committee Structure

The Secretariat Audit and Risk Committee meets on a quarterly basis to monitor progress against the audit plan, to consider issues arising from both internal and external audits and advise the Clerk/Director General (in his role as Accounting Officer) on matters which may impact the overall level of assurance. The presence of an independent chair and independent member forms a robust challenge to the corporate governance regime within the Assembly Secretariat.

Further details on the membership and the role of this committee can be found in the Governance Statement on pages 26 to 35.

Financial Review

The Assembly Commission's budget for 2012-13 was allocated in the 2010 Spending Review (SR2010). It was confirmed in the Main Estimates for the 2012-13 financial year. Through participation in the quarterly monitoring rounds and the internal management reporting cycle the Assembly Commission closely monitored its resource and cash requirements.

The final resource outturn may be seen in the table below:

	Outturn	**Budget**	**Under/(over)**	**Under/(Over)**
	£'000	**£'000**	**£'000**	**%**
Income	(40)	(40)	-	-
Gross Resource Requirement	44,448	45,362	914	2.01%
Net Resource Requirement	44,408	45,322	914	2.02%
Capital	1,284	2,335	1,051	45.01%
Total	45,692	47,657	1,965	4.12%

The actual Net Resource Requirement decreased during the year by £1.73 million to £45.3 million in the Spring Supplementary Estimates (SSE). The final resource requirement in the SSE can be split £43.74 million Departmental Expenditure Limit (DEL) and £1.58 £million Annually Managed Expenditure (AME) and non-budget items. The Net Cash

Requirement also decreased during the year by £1.08 million to £44.19 million.

Note 4 of the accounts shows a surplus net Resource Outturn of £0.91 million and a surplus Net Cash Requirement of £1.94 million against the SSE position. The total Resource underspend of £0.91 million represents 2.02% of the SSE Resource Requirement.

The main determinant in the Resource underspend was Secretariat General Administrative Expenditure (GAE) which was £0.93 million. This represents 2.05% of the SSE Resource Requirement. Work has continued to review internal services through a Business Efficiency Programme. This is due to be completed during 2013-14 with a number of recommendations across each business area being made to ensure that services are delivered to the Assembly within the constraints of a decreasing resource allocation. A number of initiatives aimed at reducing costs in other discretionary categories of expenditure have continued to be applied during the year. Latterly investment in new IT equipment and software packages has been undertaken to deliver further efficiencies in the area of printing and to streamline the provision of central HR and Payroll services. The full impact of these projects will not be recognised until future periods. A cautious approach to spending continues to drive these initiatives and contribute to the overall GAE underspend. This has been managed to ensure budgets can be realigned internally in order to meet emerging pressures in other expenditure areas.

The most significant single item of expenditure, totalling £16.4 million, related to Assembly Secretariat staffing costs. During the year the Assembly Secretariat employed on average 390 members of staff (including agency staff), which decreased from 403 in 2011-12. A Vacancy Management Group (VMG) undertakes all manpower planning for the organisation to ensure that resources are allocated to meet the continuing needs of the Assembly within the budget allocations. The marginal underspend of £83,000 was due reducing overtime costs and also the reduction in the annual accounting accrual for accrued employee benefits.

Members' salaries (£7.2 million) were paid under the provisions of the Northern Ireland Assembly Members' Salaries, Allowance and Pensions Determination March 2012 (as amended in December 2012). The Determination introduced a reduced level of remuneration for Deputy Chairpersons of statutory committees, if appointed after 1 April 2012. During the year 2012-13 a number of new Deputy Chairpersons were appointed which resulted in a marginal underspend of £20,000.

Members' Office Cost Expenditure (OCE) totalling £7.53 million was paid during 2012-13. The equivalent figure for 2011-12 was £7.43 million. The 2012-13 provision was made under the Northern Ireland Assembly Members' Salaries, Allowances and Pensions Determination March 2012 (as amended in December 2012). The Determination sets the maximum amount available to each Member, which for 2012-13 was £73,583 and £27,594 for those Members who serve as elected representatives at the Houses of Parliament at Westminster. OCE is available to meet the expenses incurred in respect of research, secretarial, clerical or administrative assistance and for the costs of any equipment, facilities, services or utilities associated these services which are required by the member to carry out his/her Assembly duties.

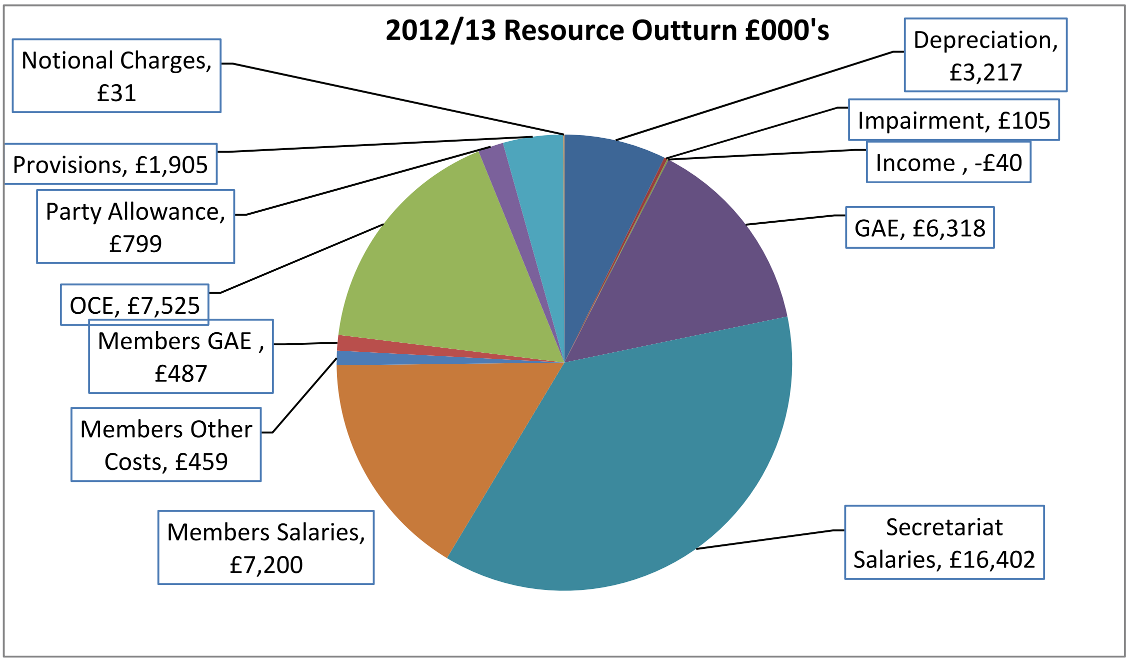
As the Determination allows for a maximum amount that may be claimed in any year, the

Assembly Commission must allow for the full amount in its request for resources in the SSE. However in any given year it is possible for Members not to utilise the entirety of the allowance and therefore and underspend will arise. For 2012-13 the under utilisation of the OCE allowance resulted in an underspend of £0.2 million.

Party Allowance and Whips Allowance payments (£0.8 million) were paid under the provisions of the Financial Assistance to Political Parties (FAPP) Scheme 2010. Like OCE the FAPP Scheme provides a maximum amount that may be claimed by Political Parties for expenditure incurred in assisting Members to carry out their Assembly duties. As the Scheme allows for a maximum amount the full amount is required by the Assembly Commission in the SSE. Any under utilisation of these Allowances will result in an underspend. During 2012-13 a marginal underspend of £11,000 occurred.

Members Other Costs remain difficult to predict. This category includes a number of categories of expenditure including travel, temporary secretarial expenditure, winding up and employers' pension costs. Travel patterns remain difficult to predict and fluctuations in the volume and size of claims are often seen. During the period a number of Members stood down, as the political parties continue to review the requirements of Members to serve dual mandates. These factors contributed to show a marginal overspend in this category of expenditure of £72,000.

The remaining £0.26 million overspend occurred on Non-Cash costs which include depreciation costs, impairment and the provision for the Members pension scheme. The Assembly Commission is required to provide for the excess of the pension scheme's liabilities over its assets on an annual basis. Indications prior to the SSE in January 2013 had shown a moderate increase in the gap between the scheme's assets and liabilities, however given the continuing uncertainty within the financial markets and the historical dramatic movements in this provision, an estimate of £1.5 million was included in the SSE. However the fall in the discount rate to 1.8%, was greater than anticipated, resulting in a larger a deficit and therefore an overspend in the provision of £0.4 million. The remaining £0.14 million underspend can be attributed to depreciation and impairments, these calculations are influenced by slippage in capital projects.



Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	2012-13	2011-12
	£'000	£'000
Net Resource Outturn (Estimates)	**44,408**	**45,235**
Adjustments to remove:		
Provision voted for earlier years		-
Adjustments to additionally include:		-
Non-voted expenditure in the SOCNE		-
Consolidated Fund Extra Receipts in the SOCNE	(75)	(11)
Other adjustments		-
IFRS adjustments		-
Adjustments to account for downward revaluation		-
Adjustment to account for change in treatment of non-exchange transactions (for which Outturn not restated)		-
Net Operating Cost (Accounts)	**44,333**	**45,224**
Adjustments to remove:		
Voted expenditure outside the budget	31	35
Adjustments to additionally include:		-
Other Consolidated Fund Extra Receipts	75	11
Resource Budget Outturn (Budget)	**44,377**	**45,200**
of which		
Departmental Expenditure Limits (DEL)	42,472	45,032
Annually Managed Expenditure (AME)	1,905	168

Environmental & Sustainability Report

The Northern Ireland Assembly Commission is committed to being an exemplar organisation in respect of Sustainable Development. The role of the Sustainable Development Office (SDO) within the Assembly Secretariat is to embed responsible business practice throughout the Assembly.

The key responsibilities of the SDO are to:

- Fully implement the Sustainable Development Strategy for the Northern Ireland Assembly Commission

- Maintain accreditation to the International Standard for Environmental Management Systems (EMS) namely EN ISO 14001.

A Sustainable Development Policy Statement was introduced in December 2009, which sets out the Commission's aspirations to operate more sustainably. To support the Policy Statement, a Sustainable Development Strategy has also been developed which sets out how the aspirations detailed within the Policy will be achieved.

Over the course of this year, the Assembly has taken significant steps to manage and reduce its environmental impact and ensures that environmental considerations are embedded across the organisation through environmental awareness training.

The EMS has ensured compliance with all relevant environmental legislation and helped to identify and assess any environmental risks. All environmental aspects and impacts are regularly reviewed and controlled as part of our measures to achieve continuous improvement.

The Assembly has continued with its procedures to improve the process for evaluating prospective suppliers' environmental practices within procurement competitions and are currently in the process of developing procedures to reduce the direct and indirect environmental impacts of the supply chain. The Sustainable Development Office has worked closely with other business areas to reduce the paper use within the Assembly and this has resulted in a reduction of over 35% and a cost saving of over £38,000. It is hoped that this will be improved upon in the coming year.

An Energy Performance Rating has been calculated for Parliament Buildings by a separate government organisation. The rating is calculated by taking into account the energy performance of the building's fabric and its services (i.e. heating, cooling, hot water, ventilation and lighting). The energy rating is presented on a scale of A to G with A being the most efficient. The energy rating achieved by Parliament Buildings for 2011 was D. This is very good considering that the building was open for longer to facilitate events and Functions. Work is continuing to ensure that this improves and the Assembly hopes to achieve a rating of C by 2014.

The Assembly participates each year in the Business in the Community led Northern Ireland Environmental Benchmarking Survey. In the previous survey the Assembly had managed to attain the standard for Quintile 2 however this year saw us move up 2 places to receive the Platinum standard which only 13 other organisations were able to achieve. The Assembly hopes to maintain the Platinum standard in the coming year.

It is hoped that a monitoring and targeting system to identify patterns of energy and water consumption will be installed within the next year to further assist with improving our energy performance. In addition to this there is the potential for renewables to be installed on the roof with the roof project due to start this year. The Assembly is continuing to work closely with the Energy Unit within DFP as well as working in partnership with the Support Services Contractor and the Soil Association to ensure continuous improvement in all areas of sustainable development.

The Assembly has significantly improved its waste management practices and the average amount of waste that is recycled has exceeded 70%. It is hoped that by continuing with various initiatives, such as removing under desk bins in large offices, that the Assembly will be able to achieve 80%. In addition to this Sustainable Development are working with the Education officers on a scheme for school groups ‘The Zero waste Challenge’ which asks all school groups to bring a lunch with entirely recyclable packaging. This has proved to be very successful with each school achieving it being awarded a certificate. Over the past few years the introduction of new waste recycling streams including lights, cooking oil, batteries and food waste has been very successful and helped to increase the recycling figures.

The Assembly has continued its membership of Business in the Community Northern Ireland (BITCNI) and has signed up to be a Silver status Careers Member. This ensures that secretariat staff will participate in 3 specific challenges through the year as well as the general volunteering days such as Environment Day. BITCNI is a leading authority on Corporate Social Responsibility (CSR) and Sustainable Development throughout the UK and Ireland. The Assembly’s Human Resources Office, Outreach Office and Facilities Directorate have worked closely with BITCNI over the past year on an action plan with several positive steps being taken. A new action plan has been developed for the coming year.

The Assembly has continued with its Sustainable Travel initiatives aimed at encouraging staff to avail of more sustainable modes of transport to travel to and from work. These initiatives are Translink’s TaxSmart Scheme (an employer salary sacrifice scheme where the Assembly purchases travel passes for employees and the employees then repay the Assembly from their gross salary) and Translink’s Annual Commuter Travelcards (an interest free loan made to employees to allow them to purchase travelcards where repayments are made out of net salary). The Assembly is also encouraging staff to consider car sharing by making them aware of the national scheme currently available and setting up a facility on the Assembly staff intranet detailing opportunities to car share.
The Assembly has just introduced a ‘Cycle to Work scheme’ which has been very successful with 15 staff taking it up this year. The scheme will open each year in February and March with staff being able to spend up to £1,000 on a bicycle or safety equipment.

The Assembly will continue to improve its environmental performance by:

- Continually improving our performance in terms of recycling and waste management;

- Maintaining ISO14001 Accreditation;
- Communicating sustainability internally and externally with all of our energy figures and costs being available online at the NI Assembly website; and
- Benchmarking against similar public and private organisations

Remuneration Report

Remuneration Policy

Commission Members

The pay and pensions of Members including its Officeholders, for the 2012-13 financial year were determined by the Northern Ireland Assembly Members' Salaries, Allowances, Expenses and Pensions Determination March 2012 (as amended in December 2012).

This Determination was made by the Independent Financial Review Panel (IFRP) which was established by the Assembly Members (Independent Financial Review and Standards) Act (Northern Ireland) 2011 to make determinations in relation to all salaries, allowances and pensions payable to MLAs.

Senior Management

The restoration of the Northern Ireland Assembly on 8 May 2007 allowed for the establishment of an Assembly Commission under section 40 of the Northern Ireland Act 1998. Under s 40(4) of the Act: *"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 Assembly Commission therefore has the authority to appoint staff (the Assembly Secretariat) and to set the remuneration of these staff within the wider context of the public sector pay remit set by the NI Executive. A review of the remuneration of Secretariat staff concluded in 2011 and its recommendations resulted in a number of changes to the existing Assembly Secretariat grading structure and pay scales being agreed by the Assembly Commission. These changes have now been fully implemented.

The pay award for Senior Management and all Secretariat Staff is normally an incremental uplift on salary scales based upon an annual assessment of staff performance reports. In line with the NI Executive's decision in Budget 2011-15 to mirror the Coalition Government's commitments to impose pay restraints, a two year pay freeze has been imposed on all Assembly Secretariat staff. This has meant that existing salary scales were not amended during this two year period. This two year pay freeze ended on 31 July 2012.

Service Contracts

Assembly Secretariat staff normally hold appointments that are open-ended. Early termination, other than for misconduct, may result in the individual receiving compensation as set out in the Assembly Commission's own staff policies and procedures.

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

The following sections provide details of the remuneration and pension interests of the Assembly Commission and the most senior officials within the Assembly Secretariat.

Remuneration (audited)

	2012-13		2011-12	
Assembly Commission	**Salary** **£**	**Benefits in kind (to nearest £100)**	**Salary** **£**	**Benefits in kind (to nearest £100)**
William Hay MLA Presiding Officer	37,801	-	37,801	-
Barry McElduff MLA (to 21 January 2013)	9,047	-	9,686	-
Catriona Ruane (from 21 January 2013)	1,177	-	-	-
Leslie Cree MLA	11,331	-	9,686	-
Pat Ramsey MLA	11,331	-	11,331	-
Peter Weir MLA	11,331	-	11,331	-
Judith Cochrane MLA	11,331	-	9,686	-

The above figures relate to remuneration received by Commission Members in respect of their position as Office Holders.

	2012-13			2011-12		
Secretariat Officials	**Salary £'000**	**Bonus Payments £'000**	**Benefits in kind (to nearest £100)**	**Salary £'000**	**Bonus Payments £'000**	**Benefits in kind (to nearest £100)**
Trevor Reaney **Clerk / Director-General**	115-120	-	-	115-120	-	-
Hugh Widdis **Director of Legal and Governance Services**	75-80	-	-	75-80	-	-
John Stewart **Director of Information & Outreach** (was Director of Clerking & Reporting up to 4 June 2012)	75-80	-	-	75-80	-	-
Richard Stewart **Director of Corporate Services**	75-80	-	-	75-80	-	-
Gareth McGrath **Director of Clerking** (was Director of Information & Outreach up to 4 June 2012)	75-80	-	-	75-80	-	-
Stephen Welch **Director of Facilities**	80-85	-	-	75-80	-	-
Band of Highest Paid Director's Total Remuneration	**115-120**			**115-120**		
Median Total Remuneration	**27,631**			**27,357**		
Ratio	**4.3**			**4.3**		

Hutton Fair Pay Review Disclosure

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 banded remuneration of the highest-paid Director in the Northern Ireland Assembly in the financial year 2012-13 was £115-120k (2011-12, £115-120k). This was 4.3 times (2011-12, 4.3) the median remuneration of the workforce, which was £27,631 (2011-12, £27,357). In 2012-13, 0 (2011-12, 0) employees received remuneration in excess of the highest-paid director.

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

The increase in median total remuneration of £274 from £27,357 to £27,631 has been marginal and as a result the ratio of the total remuneration of the highest paid director to the median remuneration of the organisation remains unchanged at 4.3.

Salary

'Salary' for Secretariat Officials includes gross salary; overtime; reserved rights to London weighting or London allowances; recruitment and retention allowances; private office allowances, any other allowance to the extent that it is subject to UK taxation and any gratia payments.

This report is based on payments made by the Assembly and thus recorded in these accounts. In respect of Members of the Assembly Commission, 'salary' represents the Officeholder's salary payable for being a Member of the Assembly Commission of £11,331 for those holding office on 1 April 2012 or £6,000 for those who took up the office after 1 April 2012 (2011-12; £11,331) or Presiding Officer / (and Chair of the Assembly Commission) of £37,801 (2011-12; £37,801). The figure does not include the salary for their services as a Member of £43,101 (2011-12; £43,101).

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 (audited)

Assembly Commission Members	Accrued pension at age 65 as at 31/03/13	Real increase in pension at age 65	CETV at 31/03/13 (or end date)	CETV at 31/03/12 (or end date)	Real increase in CETV
	£'000	£'000	£'000	£'000	£'000
William Hay **Presiding Officer**	0-5	0-2.5	81	65	10
Barry McElduff MLA (to 21 January 2013)	0-5	0-2.5	15	12	2
Catriona Ruane (from 21 January 2013)	0-5	0-2.5	39	37	1
Leslie Cree MLA	0-5	0-2.5	7	3	3

Pat Ramsey MLA	0-5	0-2.5	12	7	3
Peter Weir MLA	0-5	0-2.5	10	7	2
Judith Cochrane MLA	0-5	0-2.5	4	2	1

Assembly Commission pensions

Pension benefits for Commission Members are provided by the Assembly Members' Pension Scheme (Northern Ireland) 2008 (AMPS). The scheme is made under section 48 of the Northern Ireland Act 1998. As Commission Members will be Members of the Legislative Assembly they may also accrue a Members' pension under the AMPS (details of which are not included in this report). The pension arrangements for Commission Members provide benefits on a "contribution factor" basis which takes account of service as a Commission Member. The contribution factor is the relationship between the salary as a Commission Member and the 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 (1/50th or 1/40th) multiplied by the cumulative contribution factors and the relevant final salary as a Member.

Benefits for Commission Members are payable at the same time as Member's benefits become payable under the AMPS. Pensions are increased annually in line with changes in the Consumer Price Index (CPI). Commission Members can pay contributions of either 7% of their officeholder's salary (if they opt for the lower accrual rate of 50th's) or of 12.5% of their officeholder's salary (if they do not opt for the lower accrual rate and remain on the higher default rate of 40th's). 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 21.6% of the Commission Members' salary.

The accrued pension quoted is the pension the Commission Member is entitled to receive when they reach 65 or immediately on ceasing to be an active member of the scheme if they are already 65.

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. The figures are calculated in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 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 drawn.
Factors used in the calculation of CETV's were changed in 2012/13. The new factors have been applied in calculating the 2012/13 opening balances and as a result these may differ from the corresponding closing figures shown in the 2011/12 report.

The real increase in the value of the CETV

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

Secretariat Pension Entitlements (audited)

Secretariat Officials	**Accrued pension at age 60 as at 31/03/13 and related lump sum**	**Real increase in pension and related lump sum at age 60**	**CETV at 31/03/13 (or end date)**	**CETV at 31/03/12 (or start date)**	**Real increase in CETV**	**Employer contribution to partnership pension account**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**Nearest £100**
Trevor Reaney **Clerk / Director-General**	45-50		757	649	47	-
Hugh Widdis **Director of Legal and Governance Services**	15-20 plus lump sum of 5-10	0-2.5	188	163	12	-
John Stewart **Director of Information & Outreach** (was Director of Clerking & Reporting up to 4 June 2012)	5-10		82	40	13	-
Richard Stewart **Director of Corporate Services**	25-30 plus lump sum of 75-80	2.5-5	399	362	16	-
Gareth McGrath **Director of Clerking** (was Director of Information & Outreach up to 4 June 2012)	15-20		176	152	12	-
Stephen Welch **Director of Facilities**	15-20		242	183	22	-

Secretariat Pension Arrangements
Pension benefits are provided through the Northern Ireland Civil Service pension arrangements which are administered by Civil Service Pensions (CSP). 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**). These arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. From April 2011 Pensions payable under classic, premium, and classic plus are increased annually in line with changes in the CPI. Prior to 2011, pensions were increased in line with changes in the RPI. New entrants joining on or after 1 October 2002 and before 30 July 2007 could choose between membership of premium or joining a good quality ‘money purchase’ stakeholder arrangement with a significant employer contribution (partnership pension account). New entrants joining on or after 30 July 2007 are eligible for membership of the **nuvos** arrangement or they can opt for a partnership pension account. **Nuvos** is a “Career Average Revalued Earnings” (CARE) arrangement in which members accrue pension benefits at a percentage rate of annual pensionable earnings throughout the period of scheme membership. The current rate is 2.3%. CARE pension benefits are increased annually in line with increases in the CPI For 2012, Public Service Pensions will be increased by 2.2% with effect from 8 April 2013.

Employee contributions are determined by the level of pensionable earnings. The current rates are as follows:

Members of **classic:**

Annual pensionable earnings (full-time equivalent basis)	**New 2013 contribution rate before tax relief**
Up to £15,000	1.50%
£15,001 - £21,000	2.70%
£21,001 - £30,000	3.88%
£30,001 - £50,000	4.67%
£50,001 - £60,000	5.46%
Over £60,000	6.25%

Members of **premium**, **nuvos** and **classic plus**:

Annual pensionable earnings (full-time equivalent basis)	**New 2013 contribution rate before tax relief**
Up to £15,000	3.50%
£15,001 - £21,000	4.70%
£21,001 - £30,000	5.88%
£30,001 - £50,000	6.67%
£50,001 - £60,000	7.46%
Over £60,000	8.25%

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 3% and 12.5% (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 0.8% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are at or over pension age. Pension age is 60 for members of **classic, premium**, and **classic plus** and 65 for members of **nuvos**.
Further details about the Civil Service pension arrangements can be found at the website www.dfpni.gov.uk/civilservicepensions-ni.

Cash Equivalent Transfer Values

A 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 CSP 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 and do not take account of any actual or potential benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are drawn.

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.

Compensation for loss of office

There was no loss of office recorded for the period under review and therefore no compensation was paid.

Trevor Reaney
Accounting Officer
Clerk /Director General
Date: 26 June 2013

Statement of Accounting Officer's Responsibilities

Under Government Resource and Accounts Act (NI) 2001, DFP has directed the Northern Ireland Assembly 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 Assembly 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 Northern Ireland Assembly Commission and of its net resource outturn, resources applied to objectives, changes in taxpayers' equity and cash flows for the financial year.

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

- observe the Accounts Direction issued by DFP, 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; and

- prepare the accounts on a going concern basis.

DFP has appointed the Clerk to the Assembly, Mr Trevor Reaney, as Accounting Officer of the Northern Ireland Assembly.

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 Northern Ireland Assembly Commission's assets, are set out in the Accounting Officers' Memorandum issued DFP and published in Managing Public Money Northern Ireland.

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 Northern Ireland Assembly Commission's policies (the Assembly Commission), aims and objectives, 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.*

CORPORATE GOVERNANCE FRAMEWORK

Corporate governance is defined in the Management Commentary of the Annual report as the way in which an organisation is directed, controlled and led. The detail of the current Assembly Commission framework processes, distribution of responsibilities, rules and procedures that are in place to ensure accountability is clearly defined are given in the Management Commentary on pages 5 to 8 within the Annual Report of which this statement forms a part.

The Assembly Commission has a two tier management arrangement. The Assembly Commission has the statutory authority to provide the Assembly with the wide range of services needed by a modern legislature; however the day to day delivery of those services is achieved through the delegation to the Clerk/Director General. This is supported with further delegations to the Secretariat management team. While details of the structure and statutory authority of the Assembly Commission are provided, for the purposes of this statement, the corporate governance arrangements, including the requirement to review effectiveness, have been applied to the management team charged with the delivery of the services on behalf of the Assembly Commission, with relevant disclosures made regarding the delegated authority given to that management team.

The Northern Ireland Assembly Commission

The Assembly Commission is a body corporate, provided for under Section 40 of the Northern Ireland Act 1998, which has responsibility for providing the property, staff and services that are required for the Assembly's purposes. The Act provides that the members of the Assembly Commission shall be the Presiding Officer (the Speaker) and five other Members of the Assembly. They are appointed by the Assembly under Standing Order 79.

The current Commission was elected following the Assembly Election in May 2011:

Role	Name	Percentage of Meetings attended
Chairperson	Mr William Hay MLA	100%
Member	Mrs Judith Cochrane MLA	66.7%

Member	Mr Leslie Cree MLA	88.9%
Member	Mr Barry McEllduff MLA (to 21 January 2013)	100%
Member	Mr Pat Ramsey MLA	77.8%
Member	Ms Catriona Ruane MLA (from 21 January 2013)	50%
Member	Mr Peter Weir MLA	100%

The Assembly Commission which has been under the chairmanship of Mr William Hay MLA, in his role as Presiding Officer, from restoration of the Assembly on 8 May 2007, meets monthly.

I regularly attend the meetings, in my role as Clerk/Director General, with other senior officials, to present major proposals and decisions in relation to policy, expenditure, asset management and staffing. The Non-Executive Chairperson of the Secretariat Audit and Risk Committee (SARC) also attends each meeting and has an individual meeting with the Speaker on an annual basis.

In discharging its overall responsibility to provide the resources required by the Northern Ireland Assembly, the Assembly Commission is responsible for establishing robust arrangements for the governance of its affairs, to facilitate effective exercise of its functions and to manage risk. There is a formal delegation of these functions, along with the day to day delivery of services to the Assembly, from the Assembly Commission to me in my role as Clerk/Director General and as the Accounting Officer. A copy of this letter is attached at Annex A on page 69 for reference purposes. Further delegation of functions and financial responsibility operate for each of the members of the Secretariat Management Group (SMG). These delegations offer clarification on the roles and responsibilities of the Assembly Commission, the Accounting Officer and Directors. Under the current framework of control Directors must complete Assurance Statements every six months which cover all matters within their delegated authority.

The Assembly Commission has adopted “portfolio holder” arrangements. These arrangements afford Commission members the opportunity to have an oversight of specific issues and areas within the Secretariat. The arrangements offer Commission members the opportunity to gain further understanding of how the Secretariat operates, which assists them in responding to Assembly questions on behalf of the Commission.

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

The Assembly Commission has no Executive Agencies or Non Departmental Public Bodies.

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 Secretariat Management Group (SMG)

The Secretariat Management Group (SMG) is the top-level leadership and management team within the Assembly Secretariat. The role of SMG is to support and advise me, in my role as Clerk/Director General, in delivering the aims and values of the organisation, while supporting 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 the Assembly Secretariat. The delivery of services within the Secretariat is managed through five Directorates. Therefore SMG also fulfils a leadership role across each of the Directorates, including the co-ordination and operational delivery of cross Directorate activities. Two further management groups have been established during the reporting period to make operational decisions on staffing, budgetary control and reporting. These are Vacancy Management Group and Finance Management Group, both of which are chaired by the Director of Corporate Services.

As the Clerk/Director General I chair SMG and am supported by the 5 other Directors:

Role	Name	Percentage of Meetings attended
Director of Clerking & Reporting	Dr Gareth McGrath [previously Director of Information and Outreach – role changed 1 June 2012]	80.%
Director of Corporate Services	Mr Richard Stewart	90.%
Director of Facilities	Mr Stephen Welch	100.%
Director of Information & Outreach	Mr John Stewart [previously Director of Clerking and Reporting – role changed 1 June 2012]	80.%
Director of Legal and Governance Services	Mr Hugh Widdis	80.%

SMG meets monthly and has responsibility for supporting the Commission in determining the strategic direction of the Assembly Secretariat, including responsibility for the following:

- Developing and implementing strategy;
- Reviewing the progress on important operational issues including performance management, Finance and HR matters;
- Audit and accountability;
- Reviewing and implementing the Risk Management Strategy.

When a member of SMG is unable to attend a representative from the Directorate's senior management team is asked to attend as a substitute.

The members of SMG are full-time employees of the Assembly Commission. The Assembly Commission has endorsed the current membership of SMG and under the current delegation arrangements the matter of appointing directors (including non-executive directors) has been reserved by the Assembly Commission. The appointment of non-executive directors was considered by the Assembly Commission when SMG was formed in 2008. However it was not deemed to be appropriate.

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

Specific administrative support is provided to both SMG and the Assembly Commission from within the Secretariat. Formal processes have been established for providing information to both SMG and the Assembly Commission to assist members in discharging their duties effectively. These processes ensure that information is provided in a timely manner, to an agreed standard of quality and in an agreed concise format. In preparing papers for presentation consideration must be given to a number of key areas, including the legal, staffing, and financial implications of any material or recommendations included in each paper. The contents of each paper should also be considered in terms of equality screening and whether it is disclosable under Freedom of Information legislation or, if there are any Data Protection issues that need to be addressed. The summary page attached to each paper allows the author to demonstrate that these considerations have been undertaken. Papers are also required to clearly set out the context of the matter being discussed and include comprehensive and relevant evidence to inform the decision making process. Director approval of papers prior to submission adds a further level of scrutiny as to the relevance and quality of information being provided.

SMG undertakes an annual self-assessment of its effectiveness and addresses any issues arising through the governance arrangements and business planning processes.

The Secretariat Audit and Risk Committee

The Secretariat Audit and Risk Committee (SARC) supports me in my role as Accounting Officer and the Assembly Commission in monitoring issues of risk, internal control and governance and reviewing the comprehensiveness of assurances. SARC has been established and operates in accordance with H.M. Treasury's Audit Committee Handbook. SARC considers the adequacy of governance arrangements, internal controls, and risk management. The Committee also reviews and considers the planned activity of the Internal Audit Team and the Northern Ireland Audit Office and the results of their work, while monitoring the overall adequacy of management responses to any audit issues raised. The Committee advises me on any matters which may impact on the overall level of assurance.

SARC meets on a quarterly basis to monitor progress on all of these matters. Other meetings take place as required to review Interim and Annual Reports and Resource Accounts (including the Governance Statement).

SARC comprises two independent Non-Executive members, one of whom chairs the Committee, and a Commission member. The members of SARC during 2012-13 were:

Independent Chairperson	Mr Colm McKenna
Independent Member	Mr Douglas Bain (up to 16 September 2012)
Independent Member	Mr Bernard Mitchell (from 17 September 2012)
Commission Member	Mr Pat Ramsey MLA

Brian Moreland (Head of Internal Audit) and a Northern Ireland Audit Office representative regularly attend the Committee's meetings. Trevor Reaney (Accounting Officer), Richard Stewart (Director of Corporate Services) and Paula McClintock (Head of Finance) also attend the meetings. Each Director attends on a rotational basis. The Terms of Reference and Annual Reports of SARC are published on the Assembly's website.

Internal Audit

The objective of the Internal Audit team is to provide independent assurance on the adequacy and effectiveness of governance arrangements, internal controls and financial management. Through reviewing, monitoring and reporting on the performance of systems and controls, established to manage the risks of the Assembly Commission, it seeks to assure the Assembly Commission that risks are being properly managed and that the achievement of organisational goals will occur while still being accountable for the efficient and effective use of resources.

An internal audit plan was prepared for 2012-13 and detailed reports on the findings from individual audits, together with associated recommendations for control enhancement were prepared and presented to senior management and SARC for consideration. The audits completed included business units from each directorate of the Assembly Secretariat. This enabled the 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 was introduced for each Directorate, with progress on each recommendation now formally reported to SARC.

An internal quality assessment on Internal Audit was conducted during the year, in accordance with H M Treasury guidance, with positive results. An external assessment will be conducted in 2013-14.

Based on the results of the above programme of Internal Audits and follow-up activity the Head of Internal Audit reported an overall satisfactory level of assurance for the period 2012-13.

Of the 13 final reports issued by the March meeting of SARC 1 received a substantial level of assurance, 9 were assessed as satisfactory and 3 limited. As for previous year the levels of acceptance of recommendations remained high with the percentages accepted at priority 1, 2 being 100% and 92% for priority 3. Of the 153 recommendations accepted in the 2012-13 year, 94 have been fully implemented, 58 are in progress and only 1 (in relation to the completion of equality impact assessments) remains not implemented. The results of follow-up activity reinforced the general trend for improvement, with 3 assurance ratings moving from satisfactory to substantial and 1 each from unacceptable and limited, to satisfactory. This trend has benefitted from the increased levels of scrutiny over the implementation of Internal Audit recommendation.

The 3 areas which were allocated limited assurance were Business Continuity Planning, Office Resources and Mobile Phones. In respect of Business Continuity Planning the main areas of concern related to completion of the plan, allocation of responsibilities, scenario planning and prioritisation of operations. Management have allocated resources to ensure the full implementation of all recommendations and progress continues to be made. The report on Office Resources contained recommendations regarding stock control, ineffective physical access controls and inadequate segregation of duties. Internal Audit noted that management took early action to improve control. Recommendations on the Mobile Phones audit report included the establishment and implementation of sanctions re breach of policy, completion of returns identifying personal usage and the exchange of relevant information between directorates.

As noted above, Internal Audit has seen a largely encouraging pattern in the implementation of accepted recommendations.

External Audit

The Comptroller and Auditor General for Northern Ireland is responsible for auditing the Assembly Commission's Annual Report and Resource Accounts.

Weaknesses in the effectiveness of the system of internal control may be identified through the detail of the NIAO annual Report to those Charged with Governance. This provides a commentary on the observations of NIAO for each key risk area and where appropriate, makes recommendations for enhancement of controls. The implementation of audit recommendations is now monitored quarterly and reported to SARC.

STRATEGIC PLANNING AND PERFORMANCE MANAGEMENT

The Assembly Commission has approved a Corporate Strategy for 2012-16, which clearly defines its purpose, vision and values. It also establishes three strategic aims that will ensure the purpose and vision are achieved over the next four years:

Strategic Aim 1	Provide outstanding parliamentary services;
Strategic Aim 2	Influence, enable and deliver change;
Strategic Aim 3	Be an efficient and progressive organisation.

The Corporate Strategy has been supplemented by the annual Directorate and Business area plans, which underpin the Strategy and link with performance management and risk management and inform the future work of SMG and the Secretariat.

Fundamental to sound corporate governance and the successful achievement of the Directorate business plans is the monitoring and measurement of performance.

I review the delivery of each Directorate plan on a quarterly basis in conjunction with the appropriate Director, who has responsibility for the appropriate governance arrangements within his Directorate. A reporting mechanism has been established to ensure the delivery of plans is reported to SMG and the Commission.

The overall planning process provides the context for the risk management process as each business area must consider the risks that might impact on the ability to deliver specific objectives.

INTERNAL CONTROL ENVIRONMENT

The system of internal control is based on a continuous process designed to identify and prioritise the principal risks to the achievement of Assembly Commission policies, aims and objectives. The system also evaluates the likelihood of those risks being realised, assesses the impact should they be realised, and seeks to manage them efficiently, effectively and economically. Generally the system of internal control seeks 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.

The system of internal control has been in place in the Northern Ireland Assembly for the year ended 31 March 2013 and up to the date of approval of the annual report and accounts, and accords with DFP guidance.

Internal controls are routinely reviewed by management and are tested as part of the rolling internal audit programme. These reviews can be informed by the management reporting process.

Personal Data Incidents

There have been no personal data related incidents or data losses during the year

RISK MANAGEMENT

The Assembly Commission's risk management arrangements also comply with generally accepted best practice principles and relevant guidance. A number of corporate processes and arrangements have been established.

A new Risk Management Strategy was adopted in March 2012, following a review of the previous policy, which was introduced in October 2008. The review aimed to ensure compliance with risk management standards and best practice and to account for matters such as the adoption of the new Corporate Strategy 2012-16, implementation of recommendations from SARC and a desire to further improve the overall audit assurance level.

The Strategy continues to define the Secretariat's approach to Risk Management. The Strategy now reflects the new requirement to publish an annual Governance Statement; has an increased focus on risk appetite; and an additional requirement to present the Corporate Risk Register annually to the Assembly Commission. The Strategy provides clarity on the accountability for the identification and management of risks and facilitates a regular in-depth review of those issues which pose a risk to the achievement of the organisational aims and objectives.

The Risk Management Framework incorporates this Strategy, Corporate and Directorate Risk Registers, Assurance Statements, the role of SARC, the internal control framework, Internal and External audit. In managing 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, which is now presented annually to the Commission and quarterly to SARC. It is reviewed and approved by SMG on a monthly basis. A detailed review of the Corporate Risk Register was undertaken by SMG in June 2012, while the principal risk to the Assembly still remains that of political stability, 6 key corporate risks for the Assembly Commission have been identified. These are:

1. *Secretariat capabilities or capacity are not attuned to the achievement of corporate vision and objectives*
2. *Extent of change is too great, or our handling of it is inadequate*
3. *Interruption of ability to deliver key services*
4. *Loss of Member confidence in Secretariat*
5. *Values or behaviours moves from positive to negative*
6. *Budget allocations not aligned with the achievement of corporate objectives*

A new format of risk register was approved by SMG in July 2012 and noted by SARC in October 2012. Risks are identified and assessed into three categories, high/medium/low, using a scoring framework incorporating factors such as likelihood of the risk materialising and the impact that the risk might have on the organisation should it occur. Identified corporate risks are then reported using the agreed format, documenting root causes and current controls. Each corporate risk has an identified risk owner, who must further report on the adequacy of current controls and the suitability of any gaps in control. The monthly review ensures SMG can evaluate the nature and extent of corporate risks and ensures the risks are managed efficiently.

The residual risk assessment of the corporate risk register has identified Corporate Risk 3 as the only remaining "red" or high level risk. Work is on-going on the development of an appropriate Business Continuity Plan and IT Disaster Recovery plan and when this work is complete the risk will be reviewed as part of the monthly SMG scrutiny.

Where appropriate, Directorate and Business Area Risk Registers are also maintained. These risks have been assessed in the same manner as the corporate level risks using the scoring framework, and risk owners have been assigned to manage the risks and review the controls.

Corporate risk owners are required to complete Assurance Statements every six months to confirm if the management of risks in their respective areas have been effectively managed and to 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 / bribery prevention measures and the implementation of internal / external audit recommendations. At the end of March 2013 the Assurance Statement provided by the Director of Information and Outreach indicated that the current measures in place to manage vacancies in specialist posts, especially within Research and Information Services and Information Support Office are not completely adequate to ensure that the staffing capacity or capabilities are attuned to the achievement of the Directorate's objectives. While the decision remains not to undertake external recruitment to fill vacant specialist posts this continues to be a risk across the whole of organisation and is reflected in the Corporate Risk Register. The overall manpower planning process is monitored and reviewed by the Vacancy Management Group (VMG) and SMG and it continues to be reviewed within the wider context of service delivery, budget constraints and the Business Efficiency Programme.

The management of risk arising from the reducing budgets under the Spending Review 2010 continues to be addressed in the Corporate Risk Register and the comprehensive Business Efficiency Programme is continuing. This programme is reviewing all business areas and is seeking to generate and identify tangible efficiencies and savings.

In preparing the Annual Report and Resource Accounts I review the annual Procurement Office Compliance Report. This is summarised and considered by SARC also. The purpose of this report is to review the procurement activity within the Assembly Secretariat over a twelve month period. While the report has shown that all expenditure incurred is appropriate, it has highlighted some wider issues regarding the preparation of whole of life costs for inclusion in business cases and the on-going monitoring of expenditure against approved business case values. The process of on-going monitoring will now be considered and reviewed. Part of the on-going monitoring of costs against approved business case values will be encapsulated in the new Purchase to Pay system. However a review of controls and reporting will be undertaken to ensure that controls are enhanced to improve the overall business case preparation process.

A review of the organisational design has also been undertaken during 2012-13. The report of this review will inform the future structure of the Assembly Secretariat, to ensure that services continue to be delivered to the Assembly as efficiently and effectively as possible in a period of reducing resources.

GENERAL

While the Assembly Commission is not a government department and does not operate under the same delegation of authority framework as other departments, it does seek to comply with the principles contained within Managing Public Money NI (as issued by DFP). As the Assembly Commission is fully funded from the Northern Ireland Consolidated Fund, it currently meets its financial reporting and budgetary requirements by participating in the reporting and budgetary regime managed by DFP.

During 2012-13 a number of key policies have been reviewed and updated to ensure best practice is followed in all areas of corporate governance. Following the introduction of the Bribery Act in July 2011 a review of the Fraud Prevention Policy was undertaken. A revised Fraud Prevention Policy, a new Bribery Prevention Policy and a revised joint response plan were approved and published by SMG in October 2012. Mandatory awareness training was undertaken by all senior managers in January and February 2013. Preliminary work is under way with a view to completing a bribery risk assessment early in 2013.

All issues on Members' Salaries, Allowances, Expenses and Pensions continue to be determined by the Independent Financial Review Panel (IFRP) which was established in July 2011. The panel published its first report and Determination in March 2012, which was subsequently amended by the Northern Ireland Assembly (Members' Allowances) Determination 2013. Not only did these Determinations introduce changes to the amount of financial support given to Members, but they also introduced a number of administrative and governance changes. As a result a detailed review of the governance arrangements was undertaken and a revised Handbook was published by the Assembly Commission in December 2012. This Handbook seeks to strengthen the governance of the support framework, ensuring greater openness, transparency and accountability on elected representatives to ensure that financial resources are used in an efficient manner.

As Accounting Officer, my assessment is that the Assembly Commission's governance arrangements and risk management arrangements comply with the provisions of generally accepted best practice, as appropriate. However where this is not appropriate or relevant, an explanation has been given about any alternative arrangements that have been put in place.

Trevor Reaney
Accounting Officer
Clerk /Director General
Date: 26 June 2013

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

I certify that I have audited the financial statements of the Northern Ireland Assembly for the year ended 31st March 2013 under the Government Resources and Accounts Act (Northern Ireland) 2001. These comprise the Statement of Comprehensive Net Expenditure, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Taxpayers' Equity and the related notes. I have also audited the Statement of Assembly Supply and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

Respective responsibilities of the Accounting Officer and auditor
As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. My responsibility is to examine, certify and report on the financial statements in accordance with the Government Resources and Accounts Act (Northern Ireland) 2001. I conducted my audit in accordance with International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Financial Reporting Council's Ethical Standards for Auditors.

Scope of the audit of the financial statements
An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Assembly's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Assembly; and the overall presentation of the financial statements. In addition I read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my certificate.

I am required to obtain evidence sufficient to give reasonable assurance that the Statement of Assembly Supply properly presents the outturn against Assembly control totals and that those totals have not been exceeded.

In addition, I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by the Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Opinion on Regularity
In my opinion, in all material respects:

- the Statement of Assembly Supply properly presents the outturn against voted Assembly control totals for the year ended 31st March 2013 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.

Opinion on financial statements
In my opinion:

- the financial statements give a true and fair view of the state of the Assembly's affairs as at 31st March 2013 and of its net operating cost, cash flows and changes in taxpayers' equity for the year then ended; and
- the financial statements have been properly prepared in accordance with the Government Resources and Accounts Act (Northern Ireland) 2001 and Department of Finance and Personnel directions issued thereunder.

Opinion on other matters
In my opinion:

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

Matters on which I report by exception
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 part of the Remuneration Report to be audited are not in agreement with the accounting records; 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 Department of Finance and Personnel's guidance.

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

Kieran J Donnelly

KJ Donnelly
Comptroller and Auditor General
Northern Ireland Audit Office
106 University Street
Belfast
BT7 1EU
28th June 2013

Statement of Assembly Supply

Summary of Resource Outturn 2012-13

								2012-13 £'000	2011-12 £'000 Outturn
		Estimate			Outturn				
Request for Resources	Note	Gross Expenditure	ARs	Net Total	Gross Expenditure	ARs	Net Total	Net total outturn compared with estimate: saving / (excess)	Net Total
1	**2**	45,362	(40)	45,322	44,448	(40)	44,408	914	45,235
Total Resources	**3**	**45,362**	**(40)**	**45,322**	**44,448**	**(40)**	**44,408**	**914**	**45,235**
Non-operating cost ARs		-		-			-	-	-

Net Cash Requirement 2012-13

				2012-13 £'000	2011-12 £'000
	Note	Estimate	Outturn	Net total outturn compared with estimate: saving /(excess)	Outturn
Net Cash Requirement	**4**	44,187	42,246	1,941	41,934

Summary of income payable to the Consolidated Fund

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

		Forecast 2012-13 £'000		Outturn 2012-13 £'000	
	Note	Income	Receipts	Income	Receipts
Total	**5**	25	*25*	75	*75*

Explanation of variances between Estimate and Outturn are given in Note 2 and in the Management Commentary.

The notes on pages 43 to 68 form part of these accounts.

Statement of Comprehensive Net Expenditure
for the year ended 31 March 2013

	Note	Staff Costs	Other Costs	2012-13 £'000 Income	2011-12 £'000
Administration Costs					
Staff costs		-			-
Other administration costs			-		-
Operating income				-	-
Programme Costs					
Request for Resources 1					
Staff costs	**9**	23,602	-	-	23,940
Programme costs	**10,11**	-	20,846		21,328
Income	**12**	-	-	(115)	(44)
Totals		**23,602**	**20,846**	**(115)**	**45,224**
Net Operating Cost for the year ended 31 March 2013	**3**			**44,333**	**45,224**

Other Comprehensive Expenditure
for the year ended 31 March 2013

	2012-13	2011-12
	£'000	£'000
Net (gain)/loss on revaluation of Property, Plant & Equipment	1,163	(2,116)
Net (gain)/loss on revaluation of Intangibles	(58)	-
Total Comprehensive Expenditure for the year ended 31 March 2013	**45,438**	**43,108**

The notes on pages 43 to 68 form part of these accounts.

Statement of Financial Position
as at 31 March 2013

	Note	2012-13 £'000	2011-12 £'000
Non-current assets:			
Property, plant and equipment	**13**	109,281	112,523
Intangible assets	**14**	543	342
Financial Assets	**15**	-	-
Non-Operational Heritage Assets	**17**	469	442
Total non-current assets		**110,293**	**113,307**
Current assets:			
Assets classified as held for sale	**18**	1,286	1,391
Inventories	**20**	-	-
Trade and other receivables	**21**	399	199
Other current assets		-	-
Financial Assets	**15**	-	-
Cash and cash equivalents	**22**	14	185
Total current assets		1,699	1,775
Total assets		**111,992**	**115,082**
Current liabilities			
Trade and other payables	**24**	(2,462)	(4,220)
Provisions (due not later than one year)		-	-
Other liabilities		-	-
Total current liabilities		(2,462)	(4,220)
Non-current assets plus/less net current assets/liabilities		**109,530**	**110,862**
Non-current liabilities			
Provisions (due later than one year)	**25**	(6,305)	(4,400)
Other payables	**24**	**-**	**-**
Financial Liabilities	**15**	-	-
Total non-current liabilities		**(6,305)**	**(4,400)**
Assets less liabilities		**103,225**	**106,462**
Taxpayers' equity:			
General Fund		80,776	82,722
Revaluation reserve		22,449	23,740
Charitable Funds		-	-
Total taxpayers' equity		**103,225**	**106,462**

Signed:

Trevor Reaney
Accounting Officer / Clerk to the Assembly
Date: 26 June 2013
The notes on pages 43 to 68 form part of these accounts.

Statement of Cash Flows
for the period ended 31 March 2013

	Note	2012-13 £'000	2011-12 £'000
Cash flows from operating activities			
Net operating cost		(44,333)	(45,224)
Adjustments for non-cash transactions	**10,11**	5,258	4,507
Adjustment for non-cash income from donated assets	**17**	(24)	-
(Increase)/Decrease in trade and other receivables		(200)	88
less movements in receivables relating to items not passing through the SOCNE		68	-
(Increase)/Decrease in Inventories		-	-
Increase/(Decrease) in trade payables		(1,758)	(445)
less movements in payables relating to items not passing through the SOCNE		94	254
Use of provisions	**25**	-	(30)
Net cash outflow from operating activities		(40,895)	(40,850)
Cash flows from investing activities			
Purchase of property, plant and equipment	**13,18**	(929)	(861)
Purchase of intangible assets	**14**	(344)	(212)
Purchase of heritage assets	**17**	(3)	-
Proceeds of disposal of property, plant and equipment		-	-
Proceeds of disposal of intangibles		-	-
Loans to other bodies		-	-
(Repayments) from other bodies		-	-
Net cash outflow from investing activities		(1,276)	(1,073)
Cash flows from financing activities			
From the Consolidated Fund (Supply) - current year		42,000	42,000
From the Consolidated Fund (Supply) - prior year		-	-
From the Consolidated Fund (non-Supply)		-	-
Capital element of payments in respect of finance leases and on-balance sheet PFI contracts		-	-
Net financing		42,000	42,000
Net increase/(decrease) in cash and cash equivalents in the period before adjustment for receipts and payments to the Consolidated Fund		(171)	77
Receipts due to the Consolidated Fund which are outside the scope of the Department's activities		-	-
Payments of amounts due to the Consolidated Fund		-	(32)
Net increase/(decrease) in cash and cash equivalents in the period after adjustment for receipts and payments to the Consolidated Fund		(171)	45
Cash and cash equivalents at the beginning of the period	**22**	185	140
Cash and cash equivalents at the end of the period	**22**	14	185

The notes on pages 43 to 68 form part of these accounts.

Statement of Changes in Taxpayers' Equity
for the period ended 31 March 2013

	Note	General Fund £'000	Revaluation Reserve £'000	Total Reserves £'000
Restated Balance at 31 March 2011		85,906	21,706	107,612
Changes in taxpayers' equity 2011-12				
Net Assembly Funding - drawn down		42,000	-	42,000
Net Assembly Funding - deemed		110	-	110
Consolidated Fund Standing Services		-	-	-
Supply (payable)/receivable adjustment		(176)	-	(176)
Excess Vote - Prior Year		-	-	-
CFERs payable to the Consolidated Fund	**6**	(11)	-	(11)
Comprehensive Expenditure for the Year		(45,224)	2,116	(43,108)
Non-Cash Adjustments:				
Non-cash charges – auditors remuneration	**10,11**	30	-	30
Non-cash charges - other	**10,11**	5	-	5
Movements in Reserves:				
Transfers between reserves		82	(82)	-
Restated Balance at 31 March 2012		82,722	23,740	106,462
Changes in taxpayers' equity 2012-13				
Net Assembly Funding - drawn down		42,000	-	42,000
Net Assembly Funding - deemed		176	-	176
Consolidated Fund Standing Services		-	-	-
Supply (payable)/receivable adjustment		69	-	69
Excess Vote - Prior Year		-	-	-
CFERs payable to the Consolidated Fund	**6**	(75)	-	(75)
Comprehensive Expenditure for the Year		(44,333)	(1,105)	(45,438)
Non-Cash Adjustments:				
Non-cash charges – auditors remuneration	**10,11**	30	-	30
Non-cash charges - other	**10,11**	1	-	1
Movements in Reserves:				
Transfers between reserves		186	(186)	-
Balance at 31 March 2013		80,776	22,449	103,225

The notes on pages 43 to 68 form part of these accounts.

The Northern Ireland Assembly – Accounts 2012-13

Notes to the Assembly's resource accounts

1. Statement of accounting policies

These financial statements have been prepared in accordance with the 2012-13 Government Financial Reporting Manual (FReM) issued by DFP. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context.
Where FReM permits a choice of accounting policy, the accounting policy which has been judged to be most appropriate to the particular circumstances of the Northern Ireland Assembly for the purpose of giving a true and fair view has been selected. The particular policies adopted by the Northern Ireland Assembly are described below. They have been applied consistently in dealing with items considered material in relation to the accounts.
In addition to the primary statements prepared under IFRS, the FReM also requires the Northern Ireland Assembly to prepare an additional primary statement. The *Statement of 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 and intangible assets.

1.2 Going Concern

The financial statements for 2012-13 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 DFP holds legal title to Parliament Buildings the Northern Ireland Assembly 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 a revalued amount (based on fair value) using a professional valuation. This exercise is to be repeated every five years with appropriate interim valuations to be used in the intervening years.
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 expenses 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; and
- they may require significant maintenance expenditure so that they can continue to be enjoyed by future generations;
- their life is measured in hundreds of years.

In accordance with FReM, for non-operational heritage assets purchased within the accounting period they 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. Operational heritage assets are valued and incorporated within the asset register as at 1.3 above.

1.5 Donated assets

These are assets donated by third parties, either by gift of the assets or funds to buy the asset. Following the implementation of *IAS 20 – Accounting for Government Grants* within FReM for periods beginning on or after 1 April 2011, donated assets should be recognised as income in the Statement of Comprehensive Net Expenditure when receivable 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 should be deferred and released when the conditions are met. The Donated Asset Reserve has been removed and a prior period adjustment was made in the 2011/12 accounts.

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. No depreciation is provided on freehold land and items for collections 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 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 Non-current Assets held for Sale

These are assets for which the carrying amount will be recovered principally through a sale transaction rather than through continuing use. To be classified as such, an asset must be available for immediate sale in its present condition, with a sale being highly probable, and with both a firm plan to sell the asset and an active programme to locate a buyer in place. These assets are measured at the lower of the carrying amount and fair value (less costs to sell). Once an asset is classified as a non-current asset held for sale depreciation ceases to be charged.

1.10 Revenue

Revenue is income that relates directly to the ordinary activities of the Northern Ireland Assembly. It comprises:

- sale of souvenir stock;

- public telephone calls;

- 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 DFP has agreed should be treated as revenue.

1.11 Administration and programme expenditure

The Statement of Comprehensive Net Expenditure is analysed between administration and programme costs. For the Northern Ireland Assembly all costs incurred are programme costs, incorporating payments of allowances and other disbursements by the Assembly.

1.12 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.

1.13 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 Northern Ireland Assembly 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.

1.14 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 and is non-contributory except in respect of dependants' benefits. The Assembly 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 the Members are provided through the Assembly Members' Pension Scheme. This scheme is a statutory 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 11.5% of pensionable salary, including Office Holder's salary or 6% of pensionable salary, including Office Holder's salary. All pensions increase in line with the Consumer Price Index once in payment.

1.15 Early departure costs

The Northern Ireland Assembly is required to meet the additional cost of benefits beyond the normal PCSPS (NI) benefits in respect of employees who retire early. The Assembly provides in full for this cost when the early retirement programme has been announced and is binding on the Assembly. The Assembly may, in certain circumstances, settle some or all of its liability in advance by making a payment to the Paymaster General's account at the Bank of England for the credit of the Civil Superannuation Vote. The amount provided is shown net of any such payments.

1.16 Provisions

The Northern Ireland Assembly 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 Treasury discount rate of 3.5% in real terms. However, the discount rate used for the provision for pension costs was 4.3% p.a. reflecting the real yields experienced in the bond markets (see Note 25.1).

1.17 Contingent liabilities

In addition to contingent liabilities disclosed in accordance with IFRS 37, the Assembly 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 Northern Ireland Assembly by Assembly Minute prior to the Assembly 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.

1.18 Value added tax

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

1.19 Leases

Where substantially all risks and rewards of ownership of a leased asset are borne by the Assembly, 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. The interest element of the finance 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.

1.20 Financial Assets and Financial Liabilities

The Northern Ireland Assembly has no powers to borrow or invest surplus funds. A financial asset or financial liability is recognised in the Statement of Financial Position when the Northern Ireland Assembly becomes party to the contractual provision of the financial instrument. Initial recognition is at fair value. As financial assets and liabilities of the Northern Ireland Assembly are generated by the day-to-day operational activities, that is, trade contracts to buy non-financial items in line with the Assembly's expected purchase and usage requirements, fair value is deemed to be the transaction price where the impact of discounting is immaterial. When a financial asset or financial liability is recognised it is categorised appropriately and is de-recognised when the contractual right to or obligation for cash flow expires.

1.21 Impending application of newly issued accounting standards not yet effective

The IASB have 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 have an effective date of January 2013, and EU adoption is due from 1 January 2014. The application of these IFRS changes is subject to further review by Treasury and the other Relevant Authorities before due process consultation.

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 Treasury. A review of the NI financial process is currently under discussion with the Executive, which will bring NI departments under the same adaptation. Should this go ahead, the impact on departments is expected to focus around the disclosure requirements under IFRS 12. The impact on the consolidation boundary of NDPB's and trading funds will be subject to review, in particular, where control could be determined to exist due to exposure to variable returns (IFRS 10), and where joint arrangements need reassessing

2 Analysis of net resource outturn by section

							2012-13		2011-12
							£'000 Estimate		£'000
					Outturn				
	Admin	Other Current	Grants	Gross resource expenditure	ARs	Net Total	Net Total	Net total outturn compared with Estimate	Net total outturn compared with Estimate adjusted for virements	Prior Year Outturn
Request for Resources 1 – Members' salaries, expenses and administration costs										
	-	44,448	-	44,448	(40)	44,408	45,322	914	914	45,235
Departmental Expenditure in DEL:										
A-1 Administration										
	-	42,512	-	42,512	(40)	42,472	43,737	1,265	910	44,900
Annually Managed Expenditure (AME):										
A-2 Administration Provisions										
	-	1,905	-	1,905	-	1,905	1,550	(355)	-	300
Non-Budget:										
A-3 Notional Charges										
	-	31	-	31	-	31	35	4	4	35
Resource Outturn	**-**	**44,448**	**-**	**44,448**	**(40)**	**44,408**	**45,322**	**914**	**914**	**45,235**

An overall surplus Net Resource Outturn of £0.91 million and a surplus Net Cash Requirement of £1.94 million against the Spring Supplementary Estimate position is shown. The total Net Resource underspend of £0.91 million represents 2.02% of the SSE Resource requirement. The most significant underspend is in Secretariat General Administrative Expenditure (GAE), £0.93 million, which represents 2.05% of the SSE Resource Requirement. This has been managed internally through budget reallocations to meet emerging pressures on other budget categories particularly the provision for the deficit of assets against liabilities for the Members' Pension scheme, which is currently provided for in Annually Managed Expenditure.

Detailed explanations of the variances are given in the Financial Review section of the Management Commentary on page 10.

Due to a sharp fluctuation in the value of the Assembly Members Pension Scheme the Assembly are reporting an over-spend of £355k on Annually Managed Expenditure

(AME), however in respect of Departmental Expenditure (DEL) the Assembly had an under-spend of £1.265m, against which this over-spend has been offset. Written approval for this virement was received on 17 June 2013.

Key to Request for Resources and Sections

Request for resources 1 – Remunerating and supporting Members of the Assembly in discharging their duties in their constituencies, in the Assembly and elsewhere, enhancing public awareness of, and involvement in, the working of the Northern Ireland Assembly; administration; related services; and associated non-cash items.

3 Reconciliation of outturn to net operating cost and against Administration Budget

3.1 Reconciliation of net resource outturn to net operating cost

				2012-13 £'000	2011-12 £'000
	Note	**Outturn**	**Supply Estimate**	**Outturn Compared With Estimate**	**Outturn**
Net Resource Outturn	**2**	44,408	45,322	914	45,235
Non-supply income (CFERs)	**5**	(75)	(25)	50	(11)
Net operating cost		**44,333**	**45,297**	**964**	**45,224**

Detailed explanations of the variances are given in the Financial Review section of the Management Commentary on page 10

3.2 Outturn against final Administration Budget

The Northern Ireland Assembly is independent from the Northern Ireland Executive for funding purposes and receives programme funding only.

4 Reconciliation of net resource outturn to net cash requirement

	Note	Estimate £'000	Outturn £'000	Net Total outturn compared with Estimate: savings/(excess) £'000
Resource Outturn	**2**	45,322	44,408	914
Capital:				
Acquisition of property, plant and equipment	**13,17**	1,849	940	909
Acquisition of intangible assets	**14**	486	344	142
Investments		-	-	-
Accruals adjustments**:**				
Non-cash items	**10,11**	(5,000)	(5,258)	258
Non-cash income from donated assets	**17**	-	24	(24)
Changes in working capital other than cash		1,530	1,788	(258)
Changes in payables falling due after more than one year		-	-	-
Use of provision	**25**	-	-	
Excess cash receipts surrenderable to the Consolidated Fund	**5**	-	-	-
Net Cash Requirement		**44,187**	**42,246**	**1,941**

5 Analysis of income payable to the Consolidated Fund

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

		Forecast 2012-13 £'000		Outturn 2012-13 £'000	
	Note	**Income**	**Receipts**	**Income**	**Receipts**
Operating income and receipts - excess AR		-	-	33	*33*
Other Operating income & receipts not classified as AR		25	*25*	42	*42*
Total income payable to the Consolidated Fund		**25**	***25***	**75**	***75***

6 Reconciliation of income recorded within the Statement of Comprehensive Net Expenditure to operating income payable to the Consolidated Fund

	Note	2012-13 £'000	2011-12 £'000
Operating income	**12**	115	44
Adjustments for transactions between RfRs		-	-
Gross Income		115	44
Income authorised to be Accruing Resources		(40)	(33)
Operating Income payable to the Consolidated Fund	**5**	**75**	**11**

7 Non-operating income – Excess Accruing Resources (AR)

The Northern Ireland Assembly had no non-operating income – excess AR.

8 Statement of Operating Costs by Operating Segment

As required under Section 40, paragraph (4) of the Northern Ireland Act 1998, the Assembly 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 six 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 Assembly Commission to meet its legal obligations. It is at an overall organisational level that performance information is routinely reported to and reviewed by the Secretariat Management Group (SMG). As such, the Assembly considers that it operates with a single Operating Segment.

9 Staff numbers and related costs

Staff costs comprise:

					2012-13	2011-12
					£'000	£'000
	Special advisers	Permanently employed staff	Agency, Temporary and contract staff	Members	Total	Total
Wages and salaries	-	12,588	290	5,428	18,306	18,693
Social security costs	-	1,031	-	594	1,625	1,602
Other pension costs	-	2,493	-	1,178	3,671	3,645
Sub Total	**-**	**16,112**	**290**	**7,200**	**23,602**	**23,940**
Less recoveries in respect of outward secondments	-	(37)	-	-	(37)	(30)
Total net costs *	**-**	**16,075**	**290**	**7,200**	**23,565**	**23,910**

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

The Principal Civil Service Pension Scheme (Northern Ireland) (PCSPS (NI)) is an unfunded multi-employer defined benefit scheme but the Assembly is unable to identify its share of underlying assets and liabilities. A full actuarial valuation was carried out at 31 March 2010. Details can be found in the resource accounts of the Cabinet Office: Civil Superannuation (www.civilservice-pensions.gov.uk).

For 2012-13, contributions of £2,493,253 were paid to the PCSPS (NI) (2011-12; £2,422,968) at one of four rates in the range 18 to 25 per cent (2011-12: 18 to 25 per cent) of pensionable pay based on salary bands. The scheme's Actuary reviews employer contributions every four years following a full scheme valuation. The salary band and contribution rates were revised for 2010-11 .Salary bands were again revised for 2011-12. The contribution rates reflect benefits as they are accrued, not when the costs are actually incurred, and reflect past experience of the scheme.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers' contributions of £7,412 (2011-12; £7,923) were paid to an appointed stakeholder pension provider. Employer contributions are age-related and range from 3 per cent to 12.5 per cent (2011-12; 3 to 12.5 per cent) of pensionable pay. Employers also match employee contributions up to 3 per cent of pensionable pay. In addition, employer contributions of £473 (2011-12; £503), 0.8 per cent of pensionable pay were payable to the PCSPS (NI) to cover the cost of the future provision of lump sum benefits on death in service and ill health retirement of these employees. Contributions paid due to partnership pension providers at the balance sheet date were nil. Contributions prepaid at that date were nil.

No staff (2011-12: 0 staff) retired early on ill-health grounds; the total additional accrued pension liabilities in the year amounted to £Nil (2011-12; £Nil).

Pension benefits for the Members are provided through the Assembly Members' Pension Scheme. This scheme is a statutory 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 pay contributions of 12.5% of pensionable salary, including Office Holder's salary. Members may opt to accrue benefits more slowly paying contributions at a rate of 7% of pensionable salary. All pensions increase in line with the Consumer Price Index once in payment. There is a separate scheme statement for the Assembly Members' Pension Scheme. The rules of the Assembly Members' Pension Scheme 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 currently a liability of £6.3 million, and this is provided for in the accounts in line with FReM and IAS 19. The rate used to discount scheme liabilities is 1.8%. A full actuarial valuation was carried out for the period ending 31 March 2013 by the Government Actuary.

For 2012-13, contributions of £1,177,752 (2011-12; £1,221,723) were paid to the Assembly Members' Pension Scheme. Contributions were at a rate of 22.6% up to 30 June 2012 and at a rate of 21.6% from 1 July 2012 (2011-12; 23.3%) of pensionable pay, as determined by the Government Actuary and advised by the Treasury.

Average number of persons employed

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

					2012-13 Number	2011-12 Number
Objective	**Total**	**Permanent staff**	**Members**	**Agency, temporary and contract staff**	**Special Advisers**	**Total**
1	498	382	108	8	-	511
Total	**498**	**382**	**108**	**8**	**-**	**511**

During 2012-13, an average of 0 members of staff (2011-12: 1) were out-posted to other public sector employers.

The Northern Ireland Assembly does not employ any staff exclusively for capital projects.

There was no loss of office recorded for the period under review and therefore no compensation was paid.

10 Other Administration Costs

All costs incurred by the Northern Ireland Assembly are programme costs, incorporating payments of allowances and other disbursements by the Assembly (see note 1.11).

11 Programme Costs

	Note	2012-13 £'000	2011-12 £'000
Payments to Members			
Office Cost Expenditure		7,525	7,433
Members' winding-up costs		64	824
Other Members' costs		882	743
Party Allowance		799	790
Other Costs			
Premises		1,204	1,262
Office running costs		785	818
Contracted services		2,524	2,824
Repairs & maintenance		1,064	1,341
Staff travel, subsistence and training		275	332
Miscellaneous expenses		466	448
Rentals under operating leases		-	6
Total cash items		**15,588**	**16,821**
Non-cash items			
Depreciation		3,217	3,154
Permanent diminution of assets		105	1,153
Reversal of previous impairment loss		-	(3)
Miscellaneous notional charges		1	5
Auditor's remuneration and expenses (notional)		30	30
Borrowing costs on provisions		-	-
Release of provisions		-	(132)
Provisions: provided in year		1,905	300
(Profit)/Loss on disposal of assets		-	-
Total non-cash items		**5,258**	**4,507**
Total		**20,846**	**21,328**

12 Income

	2012-13 £'000 Total	2011-12 £'000 Total
Recoupment of salaries	37	30
Other Income	78	14
Total	**115**	**44**

13 Property, plant and equipment

	Land	Buildings	Information technology	Office equipment	Security Equipment	Furniture & fittings	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation							
At 1 April 2012	5,500	105,004	1,779	2,503	1,045	2,126	117,957
Additions	-	264	211	136	3	323	937
Donations	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Impairments	-	-		-	-	-	
Reclassifications	-	(22)	-	18	-	4	-
Revaluations	(250)	(3,146)	83	232	90	12	(2,979)
At 31 March 2013	**5,250**	**102,100**	**2,073**	**2,889**	**1,138**	**2,465**	**115,915**
Depreciation							
At 1 April 2012	-	-	1,416	1,652	586	1,780	5,434
Charged in year	-	2,042	175	529	203	67	3,016
Disposals	-	-	-	-	-	-	-
Impairments	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-
Revaluations	-	(2,042)	23	149	48	6	(1,816)
At 31 March 2013	**-**	**-**	**1,614**	**2,330**	**837**	**1,853**	**6,634**
Carrying amount							
At 31 March 2013	**5,250**	**102,100**	**459**	**559**	**301**	**612**	**109,281**
At 31 March 2012	**5,500**	**105,004**	**363**	**851**	**459**	**346**	**112,523**
Asset financing							
Owned	5,250	102,100	459	559	301	612	109,281
Financed leased	-	-	-	-	-	-	-
On-balance sheet PFI contracts	-	-	-	-	-	-	-
At 31 March 2013	**5,250**	**102,100**	**459**	**559**	**301**	**612**	**109,281**

Parliament Buildings is an operational heritage asset which opened in 1932, and as such is included in the Northern Ireland Assembly'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 at 30 November 2011 and an updated interim valuation was undertaken on 31 March 2013. Other property, plant and equipment are valued using indices reflecting the period-end position obtained from the Office for National Statistics. Donated assets with a carrying amount of £1k are included under Furniture & fittings.

2011-12

	Land	Buildings	Information technology	Office equipment	Security Equipment	Furniture & fittings	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation							
At 1 April 2011	7,500	102,828	1,595	2,440	966	2,058	117,387
Additions	-	147	182	85	88	61	563
Donations	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Impairments	-	-	2	-	-	-	2
Reclassifications	-	-	-	-	-	-	-
Revaluations	(2,000)	2,029	-	(22)	(9)	7	5
At 31 March 2012	**5,500**	**105,004**	**1,779**	**2,503**	**1,045**	**2,126**	**117,957**
Depreciation							
At 1 April 2011	-	-	1,220	1,174	394	1,725	4,513
Charged in year	-	2,100	196	489	195	52	3,032
Disposals	-	-	-	-	-	-	-
Impairments	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-
Revaluations	-	(2,100)	-	(11)	(3)	3	(2,111)
At 31 March 2012	**-**	**-**	**1,416**	**1,652**	**586**	**1,780**	**5,434**
Carrying amount							
At 31 March 2012	**5,500**	**105,004**	**363**	**851**	**459**	**346**	**112,523**
At 31 March 2011	**7,500**	**102,828**	**375**	**1,266**	**572**	**333**	**112,874**
Asset financing							
Owned	5,500	105,004	363	851	459	346	112,523
Financed leased	-	-	-	-	-	-	-
On-balance sheet PFI contracts	-	-	-	-	-	-	-
At 31 March 2012	**5,500**	**105,004**	**363**	**851**	**459**	**346**	**112,523**

14 Intangible Assets

Intangible Assets comprises Software Licenses	**Total**
	£'000
Cost or valuation	
At 1 April 2012	557
Additions	344
Donations	-
Disposals	-
Impairments	-
Revaluations	78
At 31 March 2013	**979**
Amortisation	
At 1 April 2012	215
Charged in year	201
Disposals	-
Impairments	-
Revaluations	20
At 31 March 2013	**436**
Carrying amount at 31 March 2013	**543**
Asset financing	
Owned	543
Leased	**-**
At 31 March 2013	**543**

	Total
	£'000
Cost or valuation	
At 1 April 2011	344
Additions	212
Donations	-
Disposals	-
Impairments	-
Revaluations	1
At 31 March 2012	**557**
Amortisation	
At 1 April 2011	93
Charged in year	122
Disposals	-
Impairments	-
Revaluations	-
At 31 March 2012	**215**
Carrying amount at 31 March 2012	**342**
Asset financing	
Owned	342
Leased	**-**
At 31 March 2011	**342**

15 Financial instruments

The Northern Ireland Assembly, because of the largely non-trading nature of its activities and as its cash requirements are met through the Estimates process, is not exposed to the degree of financial risk faced by non-public sector bodies of a similar size. The Assembly has no powers to borrow or invest surplus funds. Financial assets and liabilities are generated by the day-to-day operational activities, that is, trade contracts to buy non-financial items in line with the Assembly's expected purchase and usage requirements. The Assembly does not hold financial instruments to change the risks faced in undertaking its activities and it is therefore not exposed to market, credit, liquidity, or interest rate risk.

16 Investments in other public sector bodies

The Assembly has no investments in other public sector bodies.

17 Non-Operational Heritage Assets

	2012-13	2011-12
	£'000	**£'000**
Art and Antique Collection	469	442
	469	**442**

Non-Operational Heritage Assets relate to the Assembly's art and antique collection. 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 31 December 2010 was £442,000. This valuation was undertaken by a professional valuer, Mark Donnelly Fine Art. During the year a number of donated assets were added to the collection. These assets were valued at £24,000 at 31 March 2013 by the valuer and their value has been treated as income in the Statement of Comprehensive Net Expenditure. In addition, assets costing £3,000 were purchased during the year and these have been added to the collection. It is intended that further full valuations of the collection will be carried out at the commencement of each new mandate.

18 Assets classified as Held for Sale

	2012-13	2011-12
	£'000	**£'000**
Land & Buildings	1,286	1,391
	1,286	**1,391**

Assets classified as held for sale relate to land and buildings at Ormiston House. During the previous financial year the Assembly Commission took the decision to dispose of the property using a twin track approach. This involved placing the property for sale on the open market while simultaneously pursuing planning approval for limited development of the surrounding site. As the Assembly Commission was committed to disposing of the asset it was reclassified at 31 March 2011 from Property, Plant & Equipment to Assets classified as held for sale in accordance with FReM and IFRS 5. At the 31 March 2013 the Assembly remain committed to the sale of the asset. There has been a reasonable level of interest in the property but to date the Commission has yet to agree a sale. The asset therefore remains classified as held for sale in these accounts and it is carried in the Assembly's Statement of Financial Position at its alternative use Open Market Value of £1,300,000, as determined by Lands and Property Services, less costs to sell which are estimated at £14,000. This value represents a loss on revaluation of £105,000 when compared to the valuation at alternative use Open Market Value at 31 March 2012. In accordance with FReM, IAS 16 and IAS 36, this loss has been taken directly to the Statement of Comprehensive Net Expenditure.

19 Impairments

The total impairment charge for the year was made up as follows:

	2012-13		**2011-12**	
	SOCNE	**Revaluation Reserve**	**SOCNE**	**Revaluation Reserve**
	£'000	**£'000**	**£'000**	**£'000**
Land & Buildings	-	-	-	-
Information technology	-	-	(2)	-
Office equipment	-	-	-	-
Security Equipment	-	-	-	-
Furniture & fittings	-	-	-	-
Intangible Assets	-	-	(1)	-
Assets Held for Sale	105	-	1,153	-
Total	**105**	**-**	**1,150**	**-**

20 Inventories

The Assembly does not hold any inventories.

21 Trade receivables and other current assets

	2012-13 £'000	2011-12 £'000
Amounts falling due within one year:		
Value Added Tax	201	97
Prepayments and accrued income	103	88
Sundry debtors	26	14
Amounts due from the Consolidated Fund in respect of supply	69	-
	399	**199**
Amounts falling due after more than one year:	**-**	**-**

21.1 Intra-Government Balances

	Amounts falling due within one year £'000 2012-13	£'000 2011-12
Balances with other central government bodies	269	97
Subtotal: intra-governmental balances	269	97
Balances with bodies external to government	130	102
Total receivables at 31 March 2013	**399**	**199**

There are no amounts included within trade receivables (2011-12: £Nil) that will be due to the Consolidated Fund once the debts are collected.

22 Cash and cash equivalents

	2012-13 £'000	2011-12 £'000
Balance at 1 April 2012	185	140
Net change in cash and cash equivalent balances	(171)	45
Balance at 31 March 2013	**14**	**185**
The balances at 31 March were held at:		
Commercial banks and cash in hand	**14**	**185**

23 Reconciliation of Net Cash Requirement to increase / (decrease) in cash

	2012-13 £'000	2011-12 £'000
Net Cash Requirement	(42,246)	(41,934)
From the Consolidated Fund (Supply) - current year	42,000	42,000
From the Consolidated Fund (Supply) - prior year		
Amounts due to the Consolidated Fund received and not paid over	75	7
Payments of amounts due to the Consolidated Fund this year relating to the prior year	-	(28)
Increase / (decrease) in cash	**(171)**	**45**

24 Trade payables and other current liabilities

	2012-13 £'000	2011-12 £'000
Amounts falling due within one year:		
Other taxation and social security	874	600
Other payables	10	(1)
Accruals and deferred income	1,496	3,438
Amounts issued from the Consolidated Fund for supply but not spent at year end	-	176
Consolidated Fund extra receipts due to be paid to the Consolidated Fund:		
Received	82	7
Receivable	-	-
	2,462	**4,220**
Amounts falling due after more than one year:	**-**	**-**

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

24.1 Intra-Government Balances

	Amounts falling due within one year	
	£'000	£'000
	2012-13	2011-12
Balances with other central government bodies	707	782
Subtotal: intra-governmental balances	707	782
Balances with bodies external to government	1,755	3,438
Total payables at 31 March 2013	**2,462**	**4,220**

25 Provisions for liabilities and charges

	Pension Costs	Personnel Management Costs	Total
	£'000	£'000	£'000
Balance at 1 April 2012	4,400	-	4,400
Provided in the year	1,900	5	1,905
Provision not required written back	-	-	-
Provision utilised in the year	-	-	-
Borrowing Costs	-	-	-
Balance at 31 March 2013	**6,300**	**5**	**6,305**

Analysis of expected timing of discounted flows

	Pension Costs	Personnel Management Costs	Total
	£'000	£'000	£'000
Not later than one year	-	5	5
Later than one year and not later than five years	-	-	-
Later than five years	6,300	-	6,300
Balance at 31 March 2013	**6,300**	**5**	**6,305**

	Pension Costs	Personnel Management Costs	Total
	£'000	**£'000**	**£'000**
Balance at 1 April 2011	4,100	162	4,262
Provided in the year	300	-	300
Provision not required written back	-	(132)	(132)
Provision utilised in the year	-	(30)	(30)
Borrowing Costs	-	-	-
Balance at 31 March 2012	**4,400**	**-**	**4,400**

Analysis of expected timing of discounted flows

	Pension Costs	Personnel Management Costs	Total
	£'000	**£'000**	**£'000**
Not later than one year	-	-	-
Later than one year and not later than five years	-	-	-
Later than five years	4,400	-	4,400
Balance at 31 March 2012	**4,400**	**-**	**4,400**

25.1 Pension Costs

Pension benefits for Assembly Members are provided through the Assembly Members' Pension Scheme. This scheme is a statutory 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). The rules of the Scheme 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 liability of £6.3 million and, in accordance with FReM and IAS 19; this has been provided for in the 2012-13 financial year. The value of £6.3 million was estimated by the Government Actuary's Department and represents the excess of the Scheme's liabilities over its assets at the Statement of Financial Position date. The Actuary used a discount factor of 4.3% to establish the present value of the future obligation. 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.

26. Capital and Other Commitments

26.1 Capital Commitments

Capital expenditure authorised at 31 March 2013 was as follows:

	2012-13 £'000	2011-12 £'000
Contracted capital commitments at 31 March not otherwise included in these financial statements:		
Property, plant and equipment:	150	615
Intangible assets:	477	584
As at 31 March 2013	**627**	**1,199**

26.2 Commitments under leases

26.2.1 Operating Leases

The future minimum lease payments under operating leases are given in the table below for each of the following periods:

	2012-13 £'000	2011-12 £'000
Other:		
Not later than one year	-	-
Later than one year but not later than five years	-	-
Later than five years	-	-
	-	**-**

26.2.2 Finance Leases

There are no obligations under finance leases.

26.3 Commitments under PFI contracts

There were no such commitments at 31 March 2013.

26.4 Other financial commitments

The Assembly has entered into non-cancellable contracts (which are not leases or PFI contracts), for a wide range of services and maintenance. The payments to which the Assembly is committed are as follows:

	2012-13 £'000	2011-12 £'000
Not later than one year	592	3,853
Later than one year but not later than five years	9,132	3,775
Later than five years	208	118
	9,932	**7,746**

27 Contingent liabilities disclosed under IAS 37

There were no contingent liabilities at 31 March 2013.

28 Contingent liabilities not required to be disclosed under IAS 37 but included for assembly reporting and accountability purposes

There were no contingent liabilities at 31 March 2013.

29 Losses and special payments

	2012-13	2011-12
	£'000	£'000
Write-Offs	-	-
Compensation/Ex-gratia Payments	1	-
Other Special Payments	39	-
	40	**-**

There was one compensation payment of £270 made during 2012/13 in respect of the cost of replacing an item of equipment belonging to a contractor which was lost whilst under the safekeeping of the Assembly.

Following discussions with HMRC, the Assembly made a payment of £38,755 by way of a PAYE settlement agreement. This retrospective payment was in respect of the tax and national insurance due on the Benefit in Kind arising from the provision of staff uniforms to Ushering & Security staff.

30 Related-party transactions

The Northern Ireland Assembly 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 DFP.

Related party transactions during the financial year with DFP 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 DFP.

None of the Members, key managerial staff or other related parties has undertaken any material transactions with the Northern Ireland Assembly during the year.

The Northern Ireland Assembly Commission supports the work of the Northern Ireland Assembly and Business Trust (NIABT). The NIABT is an independent and neutral educational charity which serves 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 consists of 6 MLA's, one member of Secretariat staff and 8 representatives from the business community.

During 2012-13 the Northern Ireland Assembly Commission and NIABT jointly sent representatives to attend externally organised conferences. The Assembly Secretariat facilitated the payment of some expenses on behalf of the NIABT with the NIABT refunding the Northern Ireland Assembly Commission for their portion of costs. In total £12,629 has been paid by the Assembly Secretariat on behalf of NIABT in this period and of this amount, £10,843 has been reimbursed and £1,786 remains outstanding at 31 March 2013.

The Northern Ireland Assembly also supports the work of the Northern Ireland Assembly Legislative Strengthening Trust (NIALST). The NIALST was established as an independent and non-partisan organisation with the objective of enhancing the capacity of elected Members of the Northern Ireland Assembly and representatives of political parties. This is to support the over-arching objective of the Northern Ireland Assembly Commission of "strengthening democracy and engaging the people in creating a better future for all." The NIALST's board of Trustees consists of 6 MLAs and one member of Secretariat staff.

The Assembly Secretariat facilitated the payment of some travel expenses on behalf of the NIALST during 2012-13 with the NIALST refunding the Assembly for these costs. In total £8,243 has been paid by the Assembly Secretariat on behalf of the NIALST in this period and of this amount, £7,301 has been reimbursed and £942 remains outstanding.

31 Entities within the Assembly boundary

The Northern Ireland Assembly does not currently support any agencies, non-departmental bodies (NDPBs) or trading funds.

32 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 IAS 10.

33 Date authorised for issue

The Accounting Officer/Clerk to the Assembly authorised these financial statements for issue on 28 June 2013.

The Speaker

Northern Ireland Assembly

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Mr Trevor Reaney
Clerk to the Assembly/Director General
Northern Ireland Assembly
Parliament Buildings
Belfast
BT4 3XX

19 May 2010

Dear Trevor

DELEGATION OF FUNCTIONS (REVISED NOVEMBER 2009)

The Northern Ireland Assembly Commission (the Commission) is require under Section 40 (4) of the Northern Ireland Assembly Act 1998 to provide the Assembly or ensure that the Assembly is provided, with the property, staff and services required for the Assembly's purposes. Section 40 makes further provision for other functions to be conferred on the Commission.

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/director General 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 the Act or any other provision of law) 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, members of the previous senior management board, 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.

(f) matters relating to the setting of the remuneration, allowances and pensions for Assembly Members;

(g) the approval of the annual budget and the agreement of the annual accounts of the Northern Ireland Assembly; and

(h) exercise of the power to borrow money provided by paragraph 3(4) of Schedule 5 to the Act.

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 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, in accordance with principles to be included in the Assembly's Corporate Plan:

(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 ethical 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,

WILLIAM HAY MLA

ANNUAL MONITORING OF PERFORMANCE AGAINST DIRECTORATE BUSINESS PLAN 2012/13 – 31 MARCH 2013

Numerical Summary of Directorate Business Plan 2012/13

DIRECTORATE	No. of Objectives	No. of Objectives Met	No. of Exceptions	% Objectives Met
Clerking & Reporting	138	132	6	95.7
Corporate Services	93	87	6	93.5
Information & Outreach	107	105	2	98.1
Facilities	45	44	1	97.8
Legal & Governance	74	72	2	97.3
TOTAL	**457**	**440**	**17**	**96.3**

ANNUAL MONITORING OF PERFORMANCE AGAINST DIRECTORATE BUSINESS PLAN 2012/13 – 31 MARCH 2013

STRATEGIC AIM 1: PROVIDE OUTSTANDING PARLIAMENTARY SERVICES

Measures of Success:

- ***100% of Plenary and Committee meetings facilitated annually.***
- ***Member satisfaction rate above 90%.***
- ***Visitor satisfaction rates above 90%.***

(a) Targets due for completion by 31 March 2013 in respect of Strategic Aim 1 have been achieved with the following exception(s):-

Directorate	Directorate Activity	Specific Target	Position
Clerking & Reporting	Implementation of accuracy measurement in Official Report	30 September 2012	Not achieved. This target is not being pursued following the Business Efficiency Review of the Office of the Official Report. The activity/target has been superseded.
	Review timescales for provision of committee papers with OFMDFM	30 September 2012	Not achieved. Work is on-going on this issue. However the specific target has not been achieved. New target for June 2013.
Information & Outreach	Implement the use of electronic documents	31 March 2013	Revised to June 2013. All Committee are now using the new system to create electronic packs. Tablet access to electronic packs in

	Develop and implement an agreed format for the Assembly's Annual Report(excluding End of Session Reports)	Agree format by May 2012 Prepare Report of 11/12 by 30 September 2012	Committee is scheduled for Sept 2013. No agreement has been reached on format and no Report prepared for 11/12 session.

STRATEGIC AIM 2: INFLUENCE, ENABLE AND DELIVER CHANGE

Measures of Success:

- ***Implementation of a restructured organisation and staffing model by 1 April 2014.***
- ***Implementation of any further restructuring as a result of political decisions within 12 months of final political decision.***
- ***Organisational Development (OD)Strategy including regular assessment of employee engagement, implemented by 1 April 2014***
- ***Implementation of agreed Business Efficiency Programme recommendations.***

(a) Targets due for completion by 31 March 2013 in respect of Strategic Aim 2 have been achieved with the following exception(s):-

Directorate	Directorate Activity	Specific Target	Position
Clerking & Reporting	Establish cross Directorate project team to develop analysis and options to maintain effectiveness following institutional change	30 April 2012	Target achieved by alternative approach of cross directorate meetings involving Clerk/DG and members of effectiveness project
	Provide delegations to Heads of Business	30 June 2012	Not achieved. Revised date March 2013
	Undertake notional delegation of budgets	30 Sept 2012	The BEP recommended that full delegation of budgets be piloted as part of the Committee Team approach.
Corporate Services	Full implementation of agreed BEP recommendations from the Budget	31 March 2013	Significant progress made - Finance to liaise with Training and Clerking to design

	Governance Thematic Review		and implement course by Sept ’13. No additional funding available for software at this time – monthly monitoring introduced to improve budget governance.

STRATEGIC AIM 3: BE AN EFFICIENT AND PROGRESSIVE ORGANISATION

Measures of Success:

- ***Annual expenditure within 2% underspend on total budget.***
- ***Annual level of overall audit assurance at least "Satisfactory".***
- ***Staff complement of 375 achieved by 1 April 2014.***
- ***Staff to undertake an average of 3 training days per year.***

(a) Targets due for completion by 31 March 2013 in respect of Strategic Aim 3 have been achieved with the following exception(s):-

Directorate	Directorate Activity	Specific Target	Position
Clerking and Reporting	Investigate possibility of customer survey	21 December 2012	Deferred to November 2013.
Corporate Services	Produce and review Directorate Risk Register for 2012/13 and review quarterly	1 April 2012 and review quarterly	Not complete
	Consideration and implementation of appropriate non-financial reward and recognition mechanisms for staff	31 March 2013	Principles agreed but still continuing.
	Delivery of P2P and fixed assets project	31 March 2013	Procurement competition commenced with PQQ. Evaluation is currently being completed and target date to issue is 24 April 2013.

	Delivery of revised HRMS Audit recommendations – compliance with procurement policies and procedures	31 March 2013 31 March 2013	Contract awarded to Midland HR – system design and initial training has begun and two parallel runs completed. Quality Impact Assessment required on procurement policies.
Facilities	Business Continuity Plan	31 March 2013	Delays will ensue with some Internal Audit recommendations as a consequence of the delay in formulation of IT disaster recovery plan. Currently being led by Director of Information and Outreach and linked to other recommendations. To be carried into 2013/14.
Legal and Governance	At least 1 x Directorate wide activity/event per session, once volunteering policy agreed. Directorate to operate within approved budget, including 2% underspend of total budget	31 March 2013 31 March 2013	Staff had agreed date and event but due to unforeseen circumstances, event could not proceed. Confirmation that 2% underspend has been achieved is awaited from Finance Office.

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