



Northern Ireland
Assembly

FREQUENTLY ASKED QUESTIONS
FINANCIAL ARRANGEMENTS FOR MLAs

The material below provides information on a number of financial arrangements for MLAs including salaries, pensions, and expenses and for funding received by political parties. All the information below is publicly available, however, it is not currently available in one place. This document helps to explain the purpose and procedures under which MLAs and parties receive funding from the Northern Ireland Assembly.

Salaries and Expenses

1. How are the salaries/pensions/constituency office expenditure for MLAs decided?

The [Independent Financial Review Panel \(IFRP\)](#) was established in July 2011 by the [Assembly Members \(Independent Financial Review and Standards\) Act \(Northern Ireland\) 2011](#) to set the level of salaries, allowances and pensions payable to MLAs (Section 2 of the Act). The first Panel was appointed in July 2011 and its term was completed on 1 July 2016. A new Panel will be appointed in due course.

The IFRP is independent of the Assembly and the Assembly Commission. The Panel's decisions on the salaries, pensions and office cost expenditure for MLAs are implemented through 'determinations'. These determinations, which are published by the IFRP, give legal effect to its decisions and the Assembly Commission is required to abide by the provisions of each determination. The most recent [report](#) and [determination](#) were published on 23 March 2016.

2. What salaries are paid to MLAs, Ministers and Office holders of the Assembly?

Position	Annual Salary for year commencing 1 April 2017
Member	£49,500
Member of the Assembly Commission	£55,500
Chairperson of a Statutory Committee or of the Public Accounts Committee	£61,500
Speaker	£87,500
Principal Deputy/Deputy Speaker	£55,500

First/deputy First Minister	£121,500
Other Ministerial office	£87,500
Junior Minister	£55,500

You can find more information about salaries [here](#). For information about what happens during dissolution, please go to the Section on [Dissolution and Elections](#) in this document.

3. *Where can I find details of MLA salaries and expenses?*

All MLA salary and expenses payments are published quarterly on the Assembly's website under the [Your MLAs Section→Members' Salaries and Expenses](#) section. The information on the website includes details of who the payments were made to and a brief description of what the expense is for.

4. *What constituency office expenditure and allowances are MLAs entitled to claim?*

The [Assembly Members \(Salaries and Expenses\) Determination \(Northern Ireland\) 2016](#) defines what constituency office expenditure and travel allowances MLAs are entitled to claim and the criteria that must be met for payment. Under the provisions of the determination, MLAs are entitled to recover an expense only if it has been incurred as a result of carrying out his or her function as an MLA.

MLAs must keep and produce receipts or invoices for all expenses that they seek to recover. An annual audit of this expenditure is undertaken by the Assembly Commission and reported to the Secretariat Audit and Risk Committee.

Rent and Rates

Currently MLAs may recover rent for one constituency office, up to a value of £8,500 per year, where that office is for the sole use of the particular MLA. Where there is a shared office, MLAs are not able to claim more than £6,000 per year per MLA. Should an MLA rent an office where the total yearly rent is greater than £8,500, the excess will be paid by the MLA personally and will not be recoverable.

Rates can be claimed to the limit of 40% of the recovered rent, up to a maximum of £3,400 where the office is for the sole use of one MLA. Where MLAs share offices, the maximum rates that each MLA may claim for is £2,400.

Examples (for illustration only)

Example A

MLA X rents an office for his/her sole use. The annual rent is £8,500 and the rates are £3,400. As the rent is the maximum allowed under the terms of the IFRP 2016 determination, it will be covered in full. The maximum value of rates that are recoverable for this property is £3,400 (which is 40% of the rent). As both the rent and rates are within the allowable recovery amounts, all of these costs will be recoverable.

Example B

MLAs X and Y share an office where the annual rent is £10,000 and the rates are £4,000. The MLAs will be able to recover these costs as both the rent and the rates are within the recoverable amounts. (Maximum of £6,000 each for rent and £2,400 each for rates, up to a maximum of 40% of the rental amount.)

Example C

MLA Z rents an office for his/her sole use. The annual rent is £10,000 and the rates are £4,000. The MLA will only be able to recover £8,500 of the rent and only £3,400 of the rates. The balance will be paid by the MLA personally as their rent and rates are higher than the maximum allowed under the IFRP 2016 determination.

Operating Costs

MLAs are able to recover costs associated with operating their constituency offices, up to a maximum of £4,900 per year. This for example includes, utility bills, internet/telephone, office furniture/computer equipment, insurance, security, fire protection and cleaning services.

Phones

MLAs can recover up to £600 per year for mobile phone costs, including phones for their staff.

Travelling Expenses

MLAs also receive a travel allowance for both constituency travel and travel to Parliament Buildings. These amounts have been determined by the location of the MLA's constituency.

Staff Costs

MLAs may recover costs for staff salaries; the maximum per year for all staff is £50,000.

More information about what MLAs are entitled to recover can be found in the [IFRP's 2016 determination](#).

5. How are MLA expense claims verified?

All payments made under the provisions of the determination are administered by the Assembly Commission's Finance Office. All claims for expenses are submitted with accompanying documentation to the Finance Office for verification.

6. How are MLA salaries paid?

Under the provisions of the determination MLA salaries must be paid into an account for which the MLA is the sole signatory or one where the MLA and his/her spouse/partner are sole signatories.

Dissolution and Elections

7. How are salaries affected during and after an election period?

During an Election

The provisions for the payment of salaries are different during an election period, i.e. when the Assembly is in a period of dissolution.

MLAs continue to receive their salaries and expenses until the Assembly is dissolved by the Secretary of State. Once dissolution begins, those MLAs who are standing for election continue to receive their salaries and are entitled to receive expenses up to and including polling day. This includes constituency office costs, staff salaries and costs for travelling within the constituency but not travel to and from Parliament Buildings.

For MLAs who do not stand again, their last day of office is the date of dissolution and all payments cease from that date. For those MLAs who stand but are not returned, the payment of salary will cease on polling day.

Following an Election

For Members who are returned, their salary is temporarily stopped for the period between polling day and up to the date that they sign the Undertaking and the Roll of Membership, normally undertaken during the first sitting of the Assembly, following the election which must take place within 8 working days of the election.

These provisions are set out in Section 47 (10) (b) of the Northern Ireland Act 1998 (as amended).

8. *What happens to office holders during an election period?*

Salaries are paid during an election period but specific provisions apply depending on which office is held, in accordance with Section 47 (10) of the [Northern Ireland Act 1998](#) (as amended).

Committee Chairpersons

Committee Chairpersons cease to hold office at the date of dissolution, so their office holder payment ceases from that date. If they are standing for election, they will continue to receive their MLA salary up to and including polling day.

Ministerial and Junior Ministers

Ministers and Junior Ministers continue to hold office until a new Assembly is elected and therefore they continue to receive their salaries up to and including polling day.

Other Office Holders

The First and deputy First Minister, Speaker, Deputy Speaker(s) and Assembly Commission members continue to hold office during the election period and following an election, until they are either reappointed or a successor has been appointed. Therefore, the salaries payable for each of these offices continue to be paid until that date.

The provisions that refer to when office holders cease to hold office are covered further in Sections 16 and 39 of the [Northern Ireland Act 1998](#) , as well as in [Standing Orders 44-45](#).

Failure to Elect or Appoint Office Holders after an Election

9. *What happens to Office holders when the Assembly has not elected a Speaker and Deputy Speakers, or has failed to appoint a First Minister, deputy First Minister and Ministers after an election?*

In the event that the Assembly does not elect a Speaker and Deputy Speakers, or failure to nominate a First Minister, deputy First Minister and Ministers within 14 days after an election, some office holders will still receive their salaries. Those who continue to remain in post and receive their salaries are:

- the First and deputy First Ministers,
- the Speaker and Deputy Speakers and
- the members of the Assembly Commission.

These office holders remain in post until they resign (unless they have done so already), are reappointed or new officeholders are appointed. If an MLA who holds one of these offices does not stand or is not re-elected they continue to be deemed as holding the office, and therefore receive payment, until they either resign or a new office holder is appointed.

Sections 16, 39 and 47 (10) of the [Northern Ireland Act 1998](#) (as amended) and [Standing Orders 44-45](#) make provision on the issue of when specific office holders cease to hold office.

If both the First and deputy First Minister posts were vacant at the time of an Assembly election being called, neither the outgoing First or deputy First Ministers would continue to receive their office holders' salary. If they were in post at the time of an election being called, they would continue to receive their salaries until they or a successor was appointed.

Once the Oath of Office is taken, the payments continue to be made until the individual ceases to hold the office. There is currently no mechanism for the Assembly Commission to decide to cease to pay salary or expenses.

10. *What are the functions and duties of the Assembly Commission members when the Assembly has not elected a Speaker and Deputy Speakers, or has failed to appoint a First Minister, deputy First Minister and Ministers after an election?*

The [Northern Ireland Act 1998](#) states that 'there shall be a body corporate known as the Northern Ireland Assembly Commission' whose role it is, under Section 40 (4), to ensure that the Assembly is provided with the property, staff and services required for the Assembly to carry out its work. This remit includes being responsible for Secretariat staff, corporate policies and ensuring that Parliament Building is maintained.

11. *What are the functions and duties of the Speaker and Deputy Speakers when the Assembly has not elected a Speaker and Deputy Speakers, or has failed to appoint a First Minister, deputy First Minister and Ministers after an election?*

The Speaker and Deputy Speakers represent the Northern Ireland Assembly by receiving visitors to the Assembly, including Heads of State, Ambassadors and senior political figures, attending external events, and hosting events at Parliament Buildings as part of encouraging people to engage with the devolved legislature.

12. *What happens to MLAs when the Assembly has not elected a Speaker and Deputy Speakers, or has failed to appoint a First Minister, deputy First Minister and Ministers after an election?*

MLAs continue to be eligible to receive their salaries or claim expenses while they continue to carry out any of the prescribed functions of being a Member. These functions are defined in paragraph 47 (3) of [the Assembly Members \(Salaries and Expenses\) Determination \(Northern Ireland\) 2016](#) and include working within their constituency, as well as attending Plenary or undertaking Committee business.

There is currently no mechanism for the Assembly Commission to decide to cease to pay salary or expenses.

Pensions

13. What kind of pensions do MLAs receive?

The Assembly Member's pension scheme is a career average salary scheme, similar to the one operated in the Northern Ireland Civil Service. [The Assembly Members' Pension Scheme \(Northern Ireland\) 2016](#) is based on the [Independent Financial Review Panel's The Assembly Members \(Pensions\) Determination \(Northern Ireland\) 2016](#). The pension arrangements are managed by the Assembly Pension Trustees who are MLAs themselves and oversee the administration of the Scheme.

A Member's pension is determined by a number of factors including their salary, the percentage that they paid in, and the number of years they served as an MLA.

14. What payments do MLAs receive when they leave the Assembly?

Resettlement Allowance

Under the provisions of the [IFRP 2016 determination](#), MLAs are entitled to a resettlement allowance if they were MLAs immediately before dissolution (i.e. prior to an election) and either:

- did not stand at the subsequent election; or
- stood for election, but were not returned as an MLA.

The allowance is one month's salary for each completed year of service, subject to a maximum of six months' salary.

Ill-health Benefit

If an MLA resigns on ill-health grounds and the MLA's ill health prevents the MLA from adequately performing functions as a Member, he/she may apply for an ill-health retirement allowance; this is not automatically granted. If all of the criteria are met this is equivalent to one month's salary for each completed year, subject to a maximum of six months' salary.

Members will not receive both the resettlement and ill health allowances.

Winding-up Allowance

Former MLAs are also entitled to recover the costs of winding up their Assembly business. These expenses must have been incurred during the three months after the MLA leaves and must have been incurred wholly and necessarily in connection with the individual ceasing to be an MLA, including terminating telephone/mobile and utility contracts. This is subject to a maximum of £4,500. During this period rent and rates and support staff costs may also be recovered.

An MLA may also be entitled to begin receiving their pension when they leave the Assembly, in accordance with the [Assembly Members' Pension Scheme \(Northern Ireland\) 2016](#).

15. What happens if an MLA returns to the Assembly after standing down or retiring previously?

There are no restrictions on an MLA who previously retired seeking re-election at a future election, unless they retired on ill-health grounds. Under the provisions of the [IFRP's 2016 determination](#), if an MLA returns to the Assembly within 6 months of previously ceasing to be a Member, they are not entitled to resettlement allowance or an ill-health retirement allowance. This means that any payments already received would be repaid to the Assembly Commission on taking up office again. If an MLA

returns outside of the 6 month period, these restrictions do not apply, however previous periods of service would not be recognised in future calculations of resettlement or ill-health payments.

If the Member was receiving a pension, payments will be suspended for the time they are MLAs, but they may re-join the Assembly Members' Pension Scheme where they will accrue additional years of service.

Funding for Political Parties

16. What funding, if any, do political parties receive?

Political parties in the Assembly receive funding for the purpose of assisting MLAs to perform their Assembly duties, under the provisions of the [Financial Assistance to Political Parties \(FAPP\) Scheme 2016](#). This Scheme was agreed by the Assembly under the terms of the [Financial Assistance for Political Parties Act 2000](#). The Scheme provides for levels of financial support which are based on the number of members each party has, and distinguishes between parties that are in opposition and those parties which are not in opposition, where such an opposition exists. You can find a copy of the Scheme on the Assembly's website under the [MLA section](#).

17. What does it mean to be an opposition party?

For a party to be considered an opposition party, for the purposes of the FAPP Scheme, the party must have sufficient members to take up a Ministerial seat. This calculation is made using the d'Hondt system. The party must then declare in Plenary (in accordance with [Standing Order 45a](#)) that they are not taking the Ministerial position or positions to which they are entitled and are instead in formal opposition.

A party that does not have sufficient members to take up a Ministerial post is not considered to be in opposition and therefore the funding that they would receive under the FAPP Scheme would be that for a party not in opposition, where such an opposition exists.

ENDS.

If you would like further information about the above material, please contact:

Communications Office
Northern Ireland Assembly
Tel: 028 90 521137
Email: info@niassembly.gov.uk