

Annex B - OVERVIEW OF THE ROLE OF THE INDEPENDENT REMUNERATION BOARD

INTRODUCTION

1. This document summarises the legal framework within which functions are to be exercised by the Independent Remuneration Board ('the Board'). It is provided to inform those interested in applying for positions on the Board.
2. This document is a general overview, in plain language, of the principal statutory provisions dealing with the role of the Board. It does not constitute legal advice and should not be treated as an authoritative analysis of the relevant legislation.

BACKGROUND

3. Under the Northern Ireland Act 1998, the Northern Ireland Assembly ('the Assembly') is to pay salaries to Members of the Assembly ('Members'), and may pay allowances (expenses) to Members. The Assembly may also pay pensions to former Members and former office-holders.
4. In 2011 the Assembly passed the [Assembly Members \(Independent Financial Review and Standards\) Act \(Northern Ireland\) 2011](#) ('the 2011 Act'). The 2011 Act created a body known as the Independent Financial Review Panel ('the Panel'), the functions of which were to determine the level of salaries, expenses and pensions payable to current and former Members.
5. Current salaries payable to Members are fixed by the [Assembly Members \(Salaries and Expenses\) Determination \(Northern Ireland\) 2016](#) as amended. Pensions payable to former office holders and former Members are fixed by the [Assembly Members \(Pensions\) Determination \(Northern Ireland\) 2016](#). These determinations were made by the Panel.
6. In June 2025, the Assembly passed the [Assembly Members \(Independent Remuneration Board\) Bill](#) ('the Bill') which modified provisions of the 2011 Act dealing with the name, functions and membership of the Panel. In particular, the Panel was redesignated as the Board, and the Panel's function of determining the allowances payable to Members was removed.¹

¹ The allowances payable to Members are now determined by the Northern Ireland Assembly Commission – see the [Assembly Members \(Office and Staffing Costs and Allowances\) Determination \(Northern Ireland\) 2025](#).

7. This document explains the functions of the Board under the 2011 Act as amended by the Bill.² These are the functions which will be discharged by those applicants appointed to the Board.
8. An illustrative version of the 2011 Act as amended by the Bill is provided at [Annex A](#). This is not an authoritative text.

THE 2011 ACT

9. Sections 1-15 and Schedules 1 and 2 to the 2011 Act deal with the role and functions of the Board. These provisions are summarised below.

Section 1

10. This section provides for the establishment of the Board, which is to comprise a Chair and two members.

Section 2

11. This section provides for the functions of the Board, and certain matters to be taken into account by the Board in the discharge of its functions.
12. The Board is to determine the salaries payable to Members. It is also to determine the pensions and gratuities payable to persons who have ceased to be Members, and persons who formerly held particular offices (for example, former Northern Ireland Ministers).
13. In determining these salaries and pensions, the Board is required to ensure probity and value for money, and to secure a level of remuneration which fairly reflects the complexity and importance of the functions of Members. The Board is also to have regard to the salaries payable in certain other legislatures in the United Kingdom and Ireland.

Section 3

14. This section provides for the independence of the Board, and makes clear that members of the Board are not members of Assembly staff. It further requires that the Board act in such a way that its decisions and its reasons for those decisions are readily ascertainable, and that the Board publish such information to inform the public of its activities.

² The Bill is shortly expected to receive Royal Assent, at which point it will be known as the Assembly Members (Independent Remuneration Board) Act (Northern Ireland) 2025.

Section 4

15. This section provides that appointments to the Board are to be made by the Northern Ireland Assembly Commission ('the Commission').
16. Each appointment under this section is for a period of five years. A person may not be appointed under this section on more than two occasions, although a person who has only been appointed on one occasion may be eligible for a temporary appointment under section 6A as well as a further appointment under this section.
17. This section further provides that no more than one member of the Board may be a former Member at any one time.

Section 5

18. This section deals with the classes of persons who are disqualified from being appointed to or serving on the Board (for example, councillors and persons employed by Northern Ireland departments). These classes can be found at Schedule 1 to the 2011 Act.

Section 6

19. This section deals with the circumstances in which the appointment of a person as a member of the Board comes to an end. This may occur by expiry of the term of appointment, by the resignation of the person from the Board, by the person becoming disqualified from being a Board member under Schedule 1 to the 2011 Act, or by the Commission dismissing the person from the Board for a reason set out at subsection 2 of section 6 (for example, where the Board member has been convicted of a criminal offence, or has become bankrupt).

Section 6A

20. This section deals with temporary appointments to the Board. Temporary appointments may be made by the Commission when a vacancy arises in the membership of the Board.

Section 7

21. This section requires to Board to issue a code of conduct for its members, which is to incorporate the Nolan principles³ and include provision about the disclosure of interests by members of the Board.

Section 8

22. This section applies Schedule 2.

Section 9

23. This section requires the Board to report to the Commission on the performance of its functions in each financial year.

Section 10

24. This section requires the Board to determine its own procedures and when it is to meet.

Section 11

25. This section deals with the exercise of functions by the Board. The Board is expected to make determinations on salaries and pensions in respect of the current Assembly (that elected in 2022) as soon as practicable after its establishment. It is expected to make determinations in respect of each future Assembly at least 6 months before the date of the poll for election to that Assembly.⁴
26. Save in exceptional circumstances, the Board shall make a determination on salaries only once in respect of each Assembly. The Board must consult the Commission if it forms the opinion that more than one determination on salaries should be made in respect of an Assembly.
27. The Board may make more than one determination on pensions in respect of an Assembly if satisfied that it is reasonable and appropriate to do so - for example, should the law change in a way likely to impact on Members' pensions, the Board may consider a further determination on pensions is required.

³ The seven principles of public life set out in the [*First Report of the Committee on Standards in Public Life*](#) (Cm 2850).

⁴ Each Assembly is elected for a five-year term. The next election is scheduled to occur in May 2027. While the Northern Ireland Act 1998 makes provision for extraordinary elections in certain circumstances, this has not previously affected the discharge of functions by the Panel and is unlikely to affect the discharge of functions by the Board.

28. The Board is required to publish any proposed determination in draft and to consult certain specified parties and any other persons the Board thinks appropriate, on the draft.

Section 12

29. This section deals with rules on the content of determinations on salaries arising under section 47 of the Northern Ireland Act 1998. For example, this section allows for different salaries to be paid in different cases (for example, for higher salaries to be payable to Ministers). It also requires that determinations provide for reductions in the salary of Members who are also Members of the European Parliament or Members of the House of Lords.

Section 13

30. This section deals with rules on the content of determinations on pensions arising under section 48 of the Northern Ireland Act 1998. For example, this section allows determinations on pensions to include provision for pension contributions and the establishment and administration (whether by the Commission or another provider) of one or more pension schemes.

Section 14

31. This section deals with the publication of determinations made by the Board.

Section 15

32. This section deals with the meaning of 'the Board' in the 2011 Act.

Schedule 1

33. This Schedule lists the persons who are disqualified from being appointed or serving as Board members and provides related definitions.

Schedule 2

34. This Schedule contains provisions relating to Board members' terms and conditions of appointment and makes provision for administrative support, accommodation and funding by the Commission.