

ASSEMBLY RESTRICTED

Terms of Reference

Audit Committee review of the arrangements in relation to the Comptroller & Auditor General Salary

Background

The Assembly has legislative responsibility¹ for setting the salary for the Comptroller and Auditor General (C&AG) in Northern Ireland. Standing Order 58(2) provides that the Audit Committee tables any motion for a resolution of the Assembly in relation to the salary. The last uplift in the salary was in 2021, actioned by the previous Audit Committee.

There has been a previous practice of linking C&AG salaries to the Judicial Grade 5 salary scale; however, other jurisdictions have moved away from this practice and the terms of appointment of the current C&AG in Northern Ireland were not referenced to a Judicial salary scale.

Purpose

The purpose of the review is to allow the Committee to establish the future arrangements for determining the salary of the C&AG, including any mechanism for revalorisation.

Scope

The scope of the review is as follows:

- i. The review relates to the salary of the C&AG for Northern Ireland which is currently £154,527.
- ii. The review will consider what arrangements should be put in place for managing the salary in the future, including the appropriateness of the Audit Committee's role in setting the salary.
- iii. The review will consider what the appropriate level of the salary should be.
- iv. The review will identify a mechanism for how the salary should be uplifted where necessary.
- v. The review will consider the appropriate frequency of any uplift in the salary – for example, on an annual basis.
- vi. The review will consider if any agreed uplift should be backdated.
- vii. The review will have regard to the following limitations, which are provided for in legislation:
 1. The Assembly does not have the power to reduce the salary of the C&AG² which is currently £154,527;
 2. The Committee cannot increase the salary beyond the maximum payable in the Northern Ireland Civil Service³. As

¹ The Audit (Northern Ireland) Order 1987 s4(1)

² Section 65 of the Northern Ireland Act 1998

³ The Audit (Northern Ireland) Order 1987 s4(1)

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of March 2024, this is £185,280⁴, which is the amount payable to the Head of the Civil Service;

3. The salary payable to a holder of the office of C&AG shall be abated by the amount of any pension payable to him in respect of any public office in the United Kingdom or elsewhere to which he had previously been appointed or elected.⁵;and
4. Providing the above limitations are not breached, it would appear that the Assembly can reach its own view on the salary payable within this band.

Steps of the review

There will be ongoing communication and appropriate consultation with the Northern Ireland Audit Office (NIAO) during all stages of the review.

The anticipated steps for the review are:

- i. Gather evidence as set out under the approach to the review (see below);
- ii. Consider summary of evidence and issues paper;
- iii. If necessary, agree any specification for role evaluation and benchmarking;
- iv. Consider full options paper and decide on a preferred option;
- v. Seek the views of the Minister of Finance in relation to the proposal;
- vi. Agree and publish a Committee Report;
- vii. Table Motion for Debate in the Assembly;
- viii. Assembly Debate;and
- ix. Implementation of any new arrangements.

Approach to the review

In conducting its review, the Committee will take written and/or oral evidence from a range of stakeholders to inform its consideration of the possible arrangements for the salary of the C&AG. Evidence gathering will be reasonable and proportionate to inform any decision on the salary payable to the C&AG.

The stakeholders will include:

- i. The Comptroller and Auditor General & Northern Ireland Audit Office;
- ii. Neighbouring legislatures – House of Commons, Senedd, Scottish Parliament and the Oireachtas;
- iii. Public Accounts Committee; and
- iv. Northern Ireland Assembly Commission.

The Committee's consideration will also be informed by research commissioned from the Assembly's research service, legal advice. and other information, as necessary, to inform its deliberations.

⁴ NISRA report Pay in the Northern Ireland Civil Service Year Ending March 2024.

⁵ The Audit (Northern Ireland) Order 1987 s4(3)

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Outputs and outcomes

The review will lead to a motion for debate in the Assembly on the arrangements for the salary arrangements for the C&AG.

This debate will be informed by the publication of an evidence-based report on the review. The report will include:

- i. The Committee's approach to consultation and evidence gathering;
- ii. The Committee's consideration of the evidence gathered during the review;
- iii. The identification and evaluation of the options considered by the Committee; and
- iv. The Committee's recommendation on the salary arrangements for the C&AG, and any associated recommendations.

Subject to the Committee's recommendations being approved by the Assembly, any new arrangements for the C&AG salary, will be implemented at the earliest opportunity.