The Assembly Commission and Clerk/Chief Executive's Office



Northern Ireland Assembly

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The Speaker Northern Ireland Assembly Room 39 Parliament Buildings Belfast BT4 3XX

5 June 2024

Dear Mr Speaker

Debate on the Financial Assistance for Political Parties (FAPP) Scheme 2024

During the debate on the Financial Assistance for Political Parties (FAPP) Scheme 2024 in the Assembly Chamber on Tuesday 4 June 2024, I addressed the issue of inflationary uplifts within the FAPP Scheme.

In response to an intervention from Jim Allister KC MLA, I said "your funding will increase with an inflationary uplift from this point onwards". Inflationary increases do not apply to all parts of the FAPP Scheme 2024 approved yesterday and I therefore want to clarify the position and correct the record.

As I said yesterday, the revised FAPP Scheme 2024 has been brought forward taking account of how similar schemes operate in other jurisdictions and revising the amounts payable to ensure that the financial assistance offered was aligned to party size ie the number of Members a party has returned at an election.

However, the Assembly Commission recognised that this change had the potential to reduce the amount payable to some parties. In such cases where a party would have received a reduced amount under the FAPP Scheme 2024, the Assembly Commission agreed to protect those parties and ensure they retained the previous amount they would have been entitled to under the FAPP Scheme 2016.

The amounts payable to parties are set out in Paragraph 3 of the FAPP Scheme. Paragraph 3.3 of the Scheme specifically sets out the provisions for protection, and states:

"Where the amount payable to a party under Paragraph 3 of the 2016 Scheme immediately before the Scheme was revoked (see paragraph 13) exceeds the amount payable to the party calculated in accordance with paragraph 3.2, the party will receive the amount payable under the 2016 Scheme."

However, the issue of inflationary increases, only applies to those payments which will become payable under the 2024 Scheme, not the amounts protected from the 2016 Scheme. This is addressed in paragraph 6 of the 2024 Scheme which states:

"6. Indexation

6.1 At the end of each financial year, the figures given in paragraph 3.2 and paragraph 4.2 must be increased or decreased by the percentage increase or decrease in the published CPI figure for the 12-month period ending on the 31 January in that financial year.

6.2 Where the published CPI figure referred to in paragraph 6.1 is stated to be a provisional figure or is subsequently amended, that figure shall apply as ultimately confirmed or amended."

Therefore, in practice this means that only the amounts payable under the 2024 Scheme to parties of either £10k per member (paragraph 3.2), or the payments to the official opposition (paragraph 4.2) will be subject to the prescribed indexation and inflationary increases. Such increases are not prescribed for those parties who retain funding protected at the level of the greater amount they would have received in 2016.

I apologise for not having been clearer about the different elements at the time and I hope this corrects the record.

Yours sincerely

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COLIN MCGRATH MLA (On behalf of the Assembly Commission)