



Northern Ireland
Assembly

The Northern Ireland Assembly
Members' Pension Fund
Annual Report and Accounts

NIA 25/22-27

Year ended 31 March 2023

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The Trustees' Report

Aim of this Report

In order to comply with best practice for reporting requirements, the Trustees consider it appropriate to disclose actuarial and other accounting details to all members of the pension scheme.

The Trustees are pleased to present this report, which has been prepared in accordance with best practice and covers the year ended 31 March 2023. The purpose of the report is to describe how the Fund and its investments have been managed during the year.

The financial statements are prepared in accordance with the Accounts Direction issued by the Comptroller and Auditor General, which refers to the Statement of Recommended Practice (SORP) (revised July 2018) Financial Reports of Pension Schemes, as far as appropriate.

Introduction

The Assembly Members' Pension Scheme (Northern Ireland) 2016

The Assembly Members' Pension Scheme (Northern Ireland) 2016 (the AMP Scheme) provides benefits for Members and qualifying Office Holders of the Northern Ireland Assembly and the Attorney General for Northern Ireland.

Under the provisions of the AMP Scheme, a Fund has been established into which the contributions from Members of the Legislative Assembly ("Members" or "MLAs"), qualifying Office Holders and the Attorney General are paid. An external investment manager, M&G Investments Ltd., manages the assets of the Fund. The company has held the contract for investment management services from 2007. Following an open tender exercise, a new contract for investment management services was awarded to Aberdeen (ABRDN) in February 2022. However, under agreed transitional arrangements, the assets remained with M&G Investments Ltd up to and including 31 March 2023.

There have been a number of versions of the AMP Scheme since it was first established in 2000. For ease of reference the legislative background to the AMP Scheme can be found at Annex A, on page 44.

The rules and provisions of the current AMP Scheme are set by the Assembly Members (Pensions) Determination (Northern Ireland) 2016 ("Pensions Determination"), which was published by the Independent Financial Review Panel (the Panel) in April 2016. The Panel was appointed on 1 July 2011 to make determinations on Members' pay, allowances and pensions. More information on the Panel may be found at: <http://ifrp.org.uk/>.

The 2016 Pensions Determination introduced Career Average Revalued Earnings (CARE) pension arrangements for new and existing members. The previous AMP Scheme provided its members with Final Salary pension arrangements. Following the implementation of the 2016 Pensions Determination existing members, born on or before 1 April 1960, retained their Final Salary pension arrangements under transitional protection up to and including 5 May 2021.

The terms of appointment of the first Panel ended on 1 July 2016. During 2016-17 the Assembly Commission considered a number of options to reform the Panel, however this work was not completed prior to the Assembly election in March 2017. Following the election, in the absence of normal Assembly business, the work to reform the Panel was paused until the appointment of the new Assembly Commission in February 2020.

Reforming the Panel requires the Assembly to pass primary legislation. However, the required legislation, giving effect to the agreed changes, was not passed prior to the dissolution of the Assembly in March 2022. Therefore, no appointments to the Panel have been made.

In the absence of a Panel and as an interim measure, a motion was brought to the Assembly on 30 June 2020 to confer powers on the Assembly Commission, enabling it to determine allowances payable to Members. This motion did not seek to amend the process for determining Members' pay or pensions; therefore the powers for such continue to reside with a Panel, when it is appointed. The AMP Scheme cannot be amended until a Panel is appointed and makes a new Determination. Therefore, it continues to operate in line with the 2016 Pensions Determination.

On the introduction of the new AMP Scheme in May 2016, the Consolidated Fund contribution reduced from 20.6% to 14.4% of salaries. However, following the Government Actuary's Department (GAD) triennial valuation, as at March 2020, this rate increased to 17.1%, effective from 1 April 2021.

The AMP Scheme operates on an "opt-out" basis. This means that all Members and Office Holders are members of the AMP Scheme from the date they are appointed, unless they opt out.

The day-to-day administration of the AMP Scheme and provision of secretarial support is undertaken by a team from ISIO (formerly Deloitte Total Reward and Benefits Ltd (DTRB Ltd)). A small number of staff from the Assembly Commission's Finance Office assist ISIO.

Appointment of Trustees

The Trustees of the AMP Scheme are Members appointed by resolution of the Assembly, in accordance with rules of the AMP Scheme.

Article B2 (1) of the AMP Scheme rules states that the Assembly shall by resolution appoint not more than five members of the Assembly to be Trustees of the Scheme.

There is no limit on the length of time that a Trustee may hold office, they remain in office until they either resign, are removed or leave the Assembly. Article B2 (2) states:

"A person appointed as a Trustee:

- a) May resign from office by notice in writing to the Presiding Officer;
- b) May be removed from office by resolution of the Assembly;
- c) Shall, without prejudice to sub-paragraph (b), cease to hold office on the expiry of six months from the date on which he ceases to be a member of the Assembly."

Following each election of the Assembly a motion is normally brought to the Assembly to (re) appoint Trustees for the new Mandate. However, following the Assembly election in May 2022, as a Speaker was not elected by the Assembly, normal business did not resume, and therefore, the Assembly was unable to exercise its powers under Article B(2) of the AMP Scheme rules to appoint Trustees.

Therefore, the Trustees continued to hold office. However, three Trustees did not stand or were not re-elected in the Assembly election, and were only able to continue to hold the office for a maximum of 6 months following their departure from the Assembly, unless they resigned prior to that date (as per Article B2 (2) (c)).

In the absence of Assembly business, three replacement Trustees were appointed by Deed, under the provisions of Section 35 of the Trustee Act (Northern Ireland) 1958, on 4 November 2022. It was agreed however, that once full Assembly business returned a motion would be brought to the Assembly to appoint all Trustees in accordance with the AMP Scheme rules.

Prior to certification of these Accounts further changes to the Trustees occurred. Dr Caoimhe Archibald MLA and Mr Keith Buchanan MLA resigned on 14 February 2024 and 20 February 2024 respectively. Mr Trevor Clarke MLA, and Ms Ciara Ferguson MLA were appointed as new Trustees, and Dr Steve Aiken OBE MLA, Mr Stewart Dickson MLA and Mr Mark H Durkan MLA were reappointed as Trustees by resolution of the Assembly on 11 March 2024.

During the reporting period and prior to certification, the following individuals served as Trustees:

Trustees

Mr Jim Wells MLA (Chairperson) (up to 27 September 2022)
Mr Roy Beggs MLA (up to 7 June 2022)
Mr Pat Catney MLA (up to 5 November 2022)
Dr Caoimhe Archibald MLA (Chairperson) (up to 14 February 2024)
Mr Stewart Dickson MLA
Dr Stephen Aiken OBE MLA (from 4 November 2022)
Mr Keith Buchanan MLA (from 4 November 2022) (up to 20 February 2024)
Mr Mark H Durkan MLA (from 4 November 2022)
Mr Trevor Clarke MLA (from 11 March 2024)
Ms Ciara Ferguson (from 11 March 2024)

Trustees' Responsibilities

A statement of Trustees' responsibilities is set out on page 26.

Information about the Trustees

- The assets in the pension scheme Fund shall be vested in and administered by the Trustees. The Trustees shall hold the assets comprised in the Fund upon trust in accordance with the provisions of the AMP Scheme.
- The procedure of the Trustees shall be such as the Trustees may determine.
- The quorum for any meeting of the Trustees shall be three.

- The Trustees may act by a majority of those present at any meeting.
- The Trustees may employ such staff and obtain such professional advice and services as they think necessary in connection with the performance of their functions under this Scheme.
- The expenses of the Trustees in the exercise of their functions shall be defrayed out of the Fund.

Trustee Meetings

The Trustees meet at least quarterly and the minutes of the meetings are published on the Assembly Commission's website. They can be accessed using the following link:

[... http://www.niassembly.gov.uk/your-mlas/members-pension-scheme/meetings-of-the-assembly-pension-trustees/](http://www.niassembly.gov.uk/your-mlas/members-pension-scheme/meetings-of-the-assembly-pension-trustees/)

Four regular meetings were held during the reporting period ending 31 March 2023.

The Trustees have appointed a number of other parties to assist them in their role and with the administration of the Fund. At 31 March 2023, these include:

Responsibility	Name	Appointed By
Actuarial Advice	The Government Actuary's Department (GAD)	Part Q1 (2) of the Assembly Members' Pension Scheme (NI) 2016
External Auditor of Trustees' report and Annual Accounts	Comptroller and Auditor General (Northern Ireland Audit Office (NIAO))	Schedule 1 of the Assembly Members' Pension Scheme (NI) 2016
Investment Management	M & G Investments Ltd up to and including the 31 March 2022. However, as part of the transitional arrangements agreed the funds remained invested with M&G as at 31 March 2023. Transition to the new provider, ABRDN will be undertaken, with the assistance of GAD, during 2023-24 reporting period.	Trustees
AVC Provider	Clerical Medical	Trustees
Legal Advice	Assembly Legal Services (Constitutional & Institutional Advice Only) Eversheds LLP	Trustees
Pension Administration	Deloitte Total Reward and Benefits Ltd	Trustees

	(acquired by ISIO in May 2023)	
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After the reporting date, but prior to certification of these accounts, Deloitte Total Reward and Benefits Ltd (DTRB Ltd) was acquired by ISIO, May 2023. The contract for administration services continues as before, but is now serviced by ISIO.

The day-to-day administration of the AMP Scheme and the provision of secretarial support for the Trustee meetings is undertaken by ISIO (formerly DTRB Ltd). However, the Assembly Commission's Finance Office also provides administrative support to the Trustees, dealing with requests for historical and current payroll and service information, undertaking payroll duties and preparing the annual report and accounts of the Fund. This is provided under the terms of a long standing administration agreement between the Pension Trustees and the Assembly Commission.

Queries on pension related issues should, in the first instance, be sent to the ISIO (formerly DTRB Ltd) Team at the following address:

Northern Ireland Assembly Members' Pensions Team
 Isio c/o SPS
 PO BOX 4916
 Interface Business Park
 SN4 4RX

Tel: 0330 135 5742

AMPS@isio.com

Remuneration Report

No remuneration report is required since there are no employees and the Trustees do not receive any payment for their work in respect of the Scheme.

Declaration of Interests

In order to achieve the maximum degree of openness and impartiality, the Trustees have an opportunity at each meeting to declare any conflicts of interest. A register of Members interests is held and is available on the Assembly website at:

<http://www.niassembly.gov.uk/your-mlas/register-of-interests/>

Income of the Fund

The income of the Fund is derived from three main sources:

- (1) Contributions received: from Members and holders of qualifying offices;
- (2) Investments: See the Investment Managers' Report on page 19; and
- (3) Consolidated Fund: A Consolidated Fund contribution, calculated in accordance with the recommendations contained in GAD's report under Article Q2 (3b), is paid into the Fund, out of money appropriated by Act of the Assembly for that purpose.

Contributions

Members and Office Holders in the CARE section of the AMP Scheme contribute 9% of their salaries. Members and Office Holders who remained in the Final Salary section of the Scheme under transitional protection arrangements, up to 5 May 2021, contributed either 9% or 12.5% of their salaries depending on their choice of accrual rate. However, from that date, all members of the AMP Scheme moved to the CARE section and, as such, all contributions are now made at 9%.

Consolidated Fund Contributions

With the introduction of the CARE section of the AMP Scheme on 6 May 2016, the Consolidated Fund contribution rate was reduced from 21.6% to 14.4%. This remained unchanged until GAD undertook a triennial valuation at 31 March 2020. Following this valuation, the Consolidated Fund contribution rate increased to 17.1% from 1 April 2021. During the reporting period the contribution rate remained unchanged.

Contributions from both the Members and the Consolidated Fund are calculated on the salaries provided for under Table 1 of the Assembly Members (Salaries and Expenses) Determination (Northern Ireland) 2016, as amended by the Assembly Members (Salaries and Expenses) (Amendment) Determination (Northern Ireland) 2020 (“the 2016 Determination”). This 2016 Determination provides for an annual uprating of Members and Office Holders salaries, if a number of conditions are met. The current salaries payable to Members and Office Holders are published as part of the Assembly Commission’s publication scheme and are available on the Assembly website, by using the following link:

<http://www.niassembly.gov.uk/your-mlas/members-salaries-and-expenses/salaries-and-expenditure-rates-2016-2021/>

Following the election in May 2022, the Assembly failed to elect a Speaker and no Executive Ministers were appointed. During this time powers were conferred on the Secretary of State for Northern Ireland under the provisions of the Northern Ireland (Executive Formation etc.) Act 2022 to make determinations on Members’ salaries and other benefits, while the Assembly is not functioning. This Act also provides that for the purposes of any determinations made under these powers, Members are treated as having whatever salary they would have had were it not for the determination under the Act being made.

In practice, this means that even though the Assembly Members (Salaries and Expenses) (Period in which Assembly not functioning) Determination (Northern Ireland) 2022 was published on 21 December 2022, reducing salaries payable from 1 January 2023, contributions to the AMP Scheme continue to be calculated on those salaries provided for under Table 1 of the 2016 Determination.

Benefits Payable

The benefits payable for 2022-23 were £1,758,768 (2021-22, £1,466,950).

Benefits are uprated annually in line with the Consumer Prices Index; this is consistent with most public sector schemes and many private schemes. Pensions in payment increased by 3.1% from 6 April 2022. (6 April 2021 0.5%)

Losses and Special Payments

There were no losses identified during 2022-23 (2021-22, Nil).

AMP Scheme Provisions

The main provisions of the Scheme are:

	CARE Section	Final Salary Section
<i>Retirement Age</i>	65 or State Pension Age, whichever is the later	65
<i>Normal Retirement</i>		
(i) Pension	2% of pensionable salary each CARE year	Accrual rate (1/50 or 1/40) multiplied by reckonable service multiplied by final Member salary
(ii) Lump Sum	By exchanging some of the annual pension for a tax free lump sum on cost neutral terms	By exchanging some of the annual pension for a tax free lump sum on cost neutral terms
<i>Early Retirement</i>	From age 55 – the pension will be permanently reduced for early payment	From age 55 – the pension will be permanently reduced for early payment
<i>Ill Health Early Retirement</i>	Pension paid immediately without reduction for early payment; and An enhancement to the earlier of - the end of the current Assembly mandate or normal retirement age	Pension paid immediately without reduction for early payment; and An enhancement to the earlier of - the end of the current Assembly mandate or age 65
<i>Benefit Limits</i>	No restrictions on CARE pension	Annual pension capped at 2/3rds of final Member salary
<i>Dependents Benefits</i>		
(i) Spouse/Partner	On the death of the Member a pension is payable to widow / widower, legal Civil Partner or qualifying unmarried partner at a rate of 3/8ths of the value of the Members pension; and	On the death of the Member a pension is payable to widow / widower or legal Civil Partner at a rate of 5/8ths of the value of the Members pension; and
(ii) Child	A pension is payable to children aged 17 or less (22 or less if in full time education) at a rate of 1/4 of the value of the Members pension for 1	A pension is payable to children aged 17 or less (22 or less if in full time education) at a rate of 1/4 of the value of the Members pension for 1

	child and 3/8ths if 2 or more children	child and 3/8ths if 2 or more children
<i>Death in Service</i>		
(i) Lump Sum (dependent on the section of the Scheme that the member is in at the date of death)	Higher of two (2) times annual salary or refund of pension contributions paid to nominated person/s	Higher of three (3) times annual salary or refund of pension contributions paid to nominated person/s
(ii) Dependents Pension	As for 'Dependents Benefits' but with enhancement to the earlier of - the end of the current Assembly mandate or normal retirement age	As for 'Dependents Benefits' but with enhancement to the earlier of - the end of the current Assembly mandate or normal retirement age
<i>Death After Retirement</i>		
(i) Lump Sum	None	None
(ii) Dependents Pension	As for 'Dependents Benefits'	As for 'Dependents Benefits'
	If the pensioner member dies within five years of retirement the spouses pension is payable at the rate of the members own pension for the remainder of the five year guarantee period	If the pensioner member dies within five years of retirement the spouses pension is payable at the rate of the members own pension for the remainder of the five year guarantee period
<i>Pension Increases</i>		
(i) Pensions in Payment	Annual increase in line with the Consumer Prices Index (CPI)	Annual increase in line with the Consumer Prices Index (CPI)
(ii) Pensions in Deferment	Annual increase in line with the Consumer Prices Index (CPI)	Annual increase in line with the Consumer Prices Index (CPI)
(iii) Pensions during active membership	Annual increase in line with the Consumer Prices Index (CPI)	Pension calculated with reference to final Member salary

Additional Voluntary Contributions (AVCs)

During 2022-23 Clerical Medical continued to act as the AVC provider for the AMP Scheme.

Three former Members contributed to the AVC part of Scheme. One of these former Members retired during 2022-23, leaving two former Members, who have uncrystallised benefits still to be withdrawn

The AVC Scheme is closed to new contributors.

Investment Details and Performance

The Trustees produce a “Statement of Investment Principles” in order to comply with best practice for Funded schemes. The Statement covers items such as how investments are chosen, the balance between asset classes, the Trustees’ attitude to risk and the expected return and review procedures. It has been designed to cover the fundamental aspects of investment policy that are not expected to differ greatly from one year to the next and has been drawn up in consultation with GAD.

The Trustees have delegated responsibility for the investment management of the Fund to M&G Investments Ltd. M&G have provided investment management services since 2007. This contract ended in February 2022, when the investment management contract was awarded to Aberdeen (ABRDN). The assets of the Fund however, remain under M&G’s management at 31 March 2023 as part of the transitional arrangements. It had been hoped that movement of the funds to the new investment manager would be completed during 2022-23, however for a number of reasons it was agreed that this would be postponed until 2023-24.

The overall effect of the movements in pensions payable, income and investments was a decrease of £3,083,687 (2021-22, £1,001,622 (increase)) in the Net Assets of the Fund during the period.

This includes a decrease in market value of investments of £2,296,237 (£2,116,333 increase 2021-22) which reflects poor investment performance. While the greatest detractor of absolute performance has been the Scheme’s bond funds, one of the reasons for holding bonds is that their value moves in a similar way to the value placed on the liabilities. The Trustees hold bonds as part of a diversified portfolio. Over the reporting period, bond yields increased significantly, partly due to high inflation and increasing interest rates. This saw bond yields increasing back up to levels last seen around 10 years ago. As yields increase, bond prices fall and this has resulted in poor performance. Liability values are also estimated to have reduced, resulting in a net improvement to funding levels.

Insofar as the “Statement of Investment Principles” for the AMP Scheme relates to investments in M&G Investments Pooled Pension Funds, while it is recognised that the market value of the investments has decreased this year, the Trustees are content that the funds have been managed in accordance with their stated aims and objectives. The Trustees will continue to monitor the performance of the investments. Once the transition to the new fund manager is complete, the Trustees will commence an investment strategy review, which will include reviewing their investment principles and the desired balance between targeting returns and managing risk.

The actuarial assessed accounting value of the AMP Scheme benefits accrued up to and including 31 March 2023, shows a deficit when the fair value of the assets is compared to the present value of the liabilities. This deficit was assessed to be £2.9m (2020-21, £23.8m).

The value placed on the Scheme's liabilities has reduced since last year which has resulted in an improvement in the funding position of the scheme on an accounting basis. A key part of the accounting valuation is to determine a current value of all the future pension obligations of the scheme, which are collectively referred to as the scheme's liabilities.

In order to do this a number of assumptions are made, one of which is the discount rate (interest rate) used to calculate a current value for future obligations and payments. For accounting purposes, the discount rate is set in line with the yield on AA corporate bonds (as required by accounting standards International Account Standard (IAS) 19). Similar to the increase in government bond yields and interest rates generally, the yield on AA corporate bonds has increased over the year. The increase in the discount rate (interest rate) means that the current value of the scheme's future pension payments and obligations is lower, and this has been the main driver for the reduction in the liability valuation and the improved funding position of the scheme over the year.

Events After The Reporting Period

The assets of the Scheme were moved from M&G to the new investment manager Abrdn during August and September 2023. While the value of the assets may have been impacted by these disinvestments and re-investments, the exercise was planned and managed in such a way to minimise the impact. This exercise did not have an impact on the assessment of the Scheme as a going concern.

Membership Statistics

The membership of the Fund at 31 March 2023 was as follows:

Active Members		Number in Category
Members (as at 1 April 2022)		78
Add	New Entrants	18
	Rejoiners	2
Less	Retirements in the Period	(1)
	Death in Service	-
	Refund of Contributions	-
	Deferred Awards	(7)
	Transfer out of Scheme	-
Total Active Members (as at 31 March 2023)		90
Deferred Members		
Members (as at 1 April 2022)		68
Add	New Deferred Members	7
Less	Rejoiners	(2)
	Deferred Awards coming into payment	(9)
	Transfer Out	-
	Refund Contributions	(1)
	Deaths in the period	-
Total Deferred Members (as at 31 March 2023)		63
Pensions in Payment (Beneficiaries of the Fund)		
Pensions in Payment 1 April 2022 - Former Members		95
Pension in Payment 1 April 2022 Spouse and Dependants		24
Add	Members retiring in the period	1
	Deferred Members retiring in the period	9
	New Spouse pension in payment	4
	New Dependants pension in payment	4
Less	Rejoiners	-
	Serious Ill-Health Retirement	-
	Deaths in the period - Member	(3)
	Death in the period - Spouse/Dependant	-
	Cessation of Dependent pension - age	(1)
Total Deferred Members (as at 31 March 2023) *		133
<i>* Of Which Members - 102; Spouses and Dependants 31.</i>		

The benefits payable during the year to 31 March 2023 were £1,758,768. Pensions in payment increased by 3.1% in April 2022.

Preparation and Audit of Annual Accounts

Summary of Financial Information

	2022-23	2021-22
	£	£
Total Fund at 1 April	44,350,476	43,348,854
What Went Into The Fund		
Consolidated Fund Contributions	842,772	880,155
Contributions from Members/Office holders	396,284	461,681
Additional Voluntary Contributions	-	7,568
Investment Income	-	-
Change in Market Value of Investments	-	2,116,333
Total	1,239,056	3,465,737
What Went Out of The Fund		
Benefits Payable	1,758,768	1,466,950
Refund of Contributions	-	1,896
Transfers Out of the Scheme	-	646,758
Administrative Expenses (including Bank fees)	33,292*	32,425
Advisory Fees	25,631	51,236
Actuarial Expenses	112,020	157,384
Investment Management Expenses	96,795*	107,466
Trustee Training	-	-
Change in Market Value of Investments	2,296,237	
Total	4,322,743	2,464,115
Total Fund at 31 March	41,266,789	44,350,476
<i>* These figures have round adjustment of £1k</i>		

The summary above is not the financial statements but a summary of information relating to both the Fund Account and the Net Assets Statement.

The Report for the year ended 31 March 2023 including the attached Investment Report and Compliance Statement is approved on behalf of all the Trustees by:



Stewart Dickson MLA

Trustee

Date: 1 May 2024

On behalf of the Trustees



Trevor Clarke MLA

Trustee

Date: 1 May 2024

On behalf of the Trustees

Government Actuary's Department Report

This is an extract from a full report prepared for the Trustees by the Government Actuary's Department, dated 15 June 2023.

Introduction

- A. This statement has been prepared by the Government Actuary's Department at the request of the Trustees of the Assembly Members' Pension Scheme (Northern Ireland) 2016 (AMPS (NI) 2016). The Trustees have commissioned GAD to assess the liabilities of the Scheme in accordance with International Accounting Standard 19 (IAS19), and to prepare a statement for inclusion in the Scheme's accounts.
- B. The AMPS (NI) 2016 is a final salary and career average revalued earnings (CARE) defined benefit scheme, the rules of which are set out in the Assembly Members' Pension Scheme (Northern Ireland) 2016. I am not aware of any informal practices operated within the scheme which lead to a constructive obligation. (Under IAS 19 constructive obligations should be included in the measurement of the actuarial liability).
- C. The statement is based on an assessment of the liabilities as at 31 March 2020, with an approximate uprating to 31 March 2023 to reflect known changes.
- D. The Northern Ireland Assembly not been conducting normal business since the Assembly Election in May 2022. From 1 January 2023 Members of the Assembly and remaining Officeholders have had their salaries reduced. During this period, Members of the Assembly continue to accrue benefits based on the level of salary applicable had the reduction not been implemented, While actual salaries are paid at a reduced rate and member contributions are levied on the reduced rate, the Northern Ireland Assembly Commission pays the balance of costs, including a "top up" contribution to bring member contributions up to the full rate.

Membership Data

- E. Tables A to C summarise the principal membership data as at 31 March 2020 and 31 March 2023 used to prepare this statement.

Table A – Active members (MLAs and officeholders combined)

31 March 2020		2022/23	
Number	Total salaries in membership data (pa) (£ million)	Total accrued pensions (£ million)	Total salaries (£million)
89	5.0	0.814	4.75*

**Based on unreduced member salaries*

Table B – Deferred members

	31 March 2020
Number	Total deferred pension (pa) (£ million)
59	0.575

Table C – Pensions in payment

	31 March 2020
Number	Total pension (pa) (£ million)
112	0.920

Methodology

- F. The present value of the liabilities has been determined using the Projected Unit Credit Method, with allowance for expected future pay increases in respect of active members on any final salary benefits, and the principal financial assumptions applying to the 2022-23 Resource Accounts. The contribution rate for accruing costs in the year ended 31 March 2023 was determined using the Projected Unit Credit Method and the principal financial assumptions applying to the 2021-22 Resource Accounts.
- G. This statement takes into account the benefits normally provided under the scheme, including age retirement benefits and benefits applicable following the death of the member.

Principal financial assumption

- H. The principal financial assumptions adopted to prepare this statement are shown in Table D

Table D – Principal financial assumptions

	31 March 2023	31 March 2022
	(% p.a.)	(% p.a.)
Gross discount rate	4.65	2.65
Price inflation (CPI)	2.60	3.15
Earnings increases (excluding promotional increases)	4.10	4.65
Real discount rate (net of CPI)	2.05	(0.50)

Demographic assumptions

- I. The demographic assumptions adopted for the assessment of the liabilities as at 31 March 2023 are based on those adopted for the 2020 funding valuation of the AMPS (NI) 2016.
- J. The standard mortality tables known as S3NxA are used. Mortality improvements are in accordance with those incorporated in the 2020-based principal population projections for the United Kingdom.
- K. The contribution rate used to determine the accruing cost in 2022-23 was based on the demographic and financial assumptions applicable at the start of the year: that is, those adopted for the 2021-22 Resource Accounts.

Liabilities

- L. Table E summarises the assessed value as at 31 March 2023 of benefits accrued under the scheme prior to 31 March 2023 based on the data, methodology and assumptions described in paragraphs D to J. The corresponding figures for the previous year end are also included in the table. Allowance has been made for the possible cost arising as a result of the McCloud case. It should be noted that there is considerable uncertainty around the potential additional costs as a result of the judgment, as the form of remedy is uncertain. No allowance has been made for possible costs arising as a result of GMP equalisation.

Table E – Statement of Financial Position (£ million)

	31 March 2023	31 March 2022
Total market value of assets	41.0	43.9
Value of liabilities	(43.9)	(67.7)
Surplus/(Deficit)	(2.9)	(23.8)
Funding Level	93%	65%

Pension cost

- M. The cost of benefits accruing in the year ended 31 March 2023 (the Current Service Cost) is based on a standard contribution rate of 55.5% (including member contributions but excluding expenses) [2022: 54.5%], as determined at the start of the year. Members accruing CARE benefits contribute 9% of pay*. Table F shows the standard contribution rate used to determine the Current Service Cost for 2021-22 and 2022-23. The Employer tops up Member contributions to the full rate.

(*Members will pay their 9% contribution on reduced pay for the periods that this applies)

Table F – Current Service Cost

Percentage of pensionable pay		
	2022-23	2021-22
Current Service Cost (excluding expenses)	55.5%	54.5%
Members' contribution rate (average)	<u>(9.0%)*</u>	<u>(9.0%)</u>
Employer's Current Service Cost (excluding Member contributions and expenses)	46.5%*	45.5%

* *These are unadjusted rates, before any allowance for the reduced salaries members received in 2022/23 under the 2022 Determination, during the period in which the Assembly is not functioning. In practice, we understand members only pay contributions (at their standard 9% rate) on the actual (reduced) salary they are receiving, although benefits continued to accrue based on unreduced salary levels. The Northern Ireland Assembly Commission is making top up contributions to fund the shortfall in member contributions over the year. The disclosed current service cost for 2022-23 of £2.2m includes allowance for actual employer contributions paid including the top-up payments.*

- N. For the avoidance of doubt the employer's share of the standard contribution rate determined for the purposes of the Resource Accounts is not the same as the actual rate of contributions payable by the Assembly, currently 17.1%, which was determined based on the methodology and the financial and demographic assumptions adopted for the funding of the scheme. The most significant difference between the actuarial assessments for Resource Accounts and for scheme funding purposes is the discount rate net of pension increases, which was -0.50% p.a. for the 2022-23 Current Service Cost (-0.4% p.a. for 2021-22) compared with 2.25% p.a. for scheme funding. The higher discount rate for scheme funding purposes results in a lower assessed cost of benefit accrual. The discount rate for scheme funding is determined considering the assets held by the scheme and the expected returns on those assets.
- O. The unreduced pensionable payroll for the financial year 2022-23 was £4.75 million [2022: £5.15 million]. Based on this information, the accruing cost of pensions in 2022-23 (at 55.5% [2021: 54.5%] of pay) is assessed to be £2.6 million [2022: £2.8 million].

Memet Pekacar

**Fellow of the Institute and Faculty of Actuaries
Government Actuary's Department**

15 June 2023

The Compliance Statement

Benefits

All pensions paid in the year were authorised under the appropriate Act and thus made in accordance with the regulations of the AMP Scheme.

Tax Status of the Scheme

The Northern Ireland Assembly Members' Pension Scheme is a statutory pension scheme within the meaning of Chapter 1, Part XIV of the Income and Corporation Taxes Act 1988 and is an 'approved scheme' for the purposes of accepting transfer values.

Funding Standard

The AMP Scheme is not subject to the Minimum Statutory Funding Objective requirements of the Pensions Act 2004. Accordingly, it is not appropriate for the actuarial statement to include an assessment of the statutory funding objective set out in the legislation and used by defined benefit schemes that are subject to technical provisions. Regular valuations at least every three years are required to check whether the statutory funding objective is met. Where it is not, trustees and employers agree a recovery plan.

Nevertheless, the Trustees have asked GAD to provide periodical reassurances that this level of funding would be met.

Investments

All investments are in holdings that are permitted by the regulations of the Fund. Although the Trustees cannot direct the investment strategy of the Fund in which the AMP Scheme invests, nevertheless, it will consider socially responsible investment policy issues when comparing two providers who are otherwise of equal preference.

Northern Ireland Assembly Members Pension Scheme – Investment Manager's Annual Report for the Year Ending 31 March 2023

Introduction

The Scheme invests in pooled pensions fund units provided by Prudential Pensions Limited (PPL), a wholly owned subsidiary within M&G plc. The units held by the pension fund are part of an agreement between the Trustees and Prudential Pensions Limited, which is in the form of an Insurance Policy. The policy itself is the 'asset' that the Trustees own, and the units within the funds provide an easy method of valuation of the policy. These units can be bought and sold on a daily basis and the underlying assets are invested in marketable securities and in the case of the property holding, commercial property. Total discretion for the day-to-day management of the assets has been delegated to M&G Investment Management Limited, the fund management company owned by M&G plc.

M&G pooled pensions has invested the assets of the Scheme in accordance with a strategic benchmark allocation set by the trustees shown below.

Asset Class	Active/ Passive	Benchmark %	Control Ranges (%)
UK Equity	Passive	23.5	13.5 – 33.5
North America Equity	Passive	10.5	5.5 – 15.5
Europe Equity	Passive	13.5	7.0 – 20.0
Japan Equity	Passive	6.0	3.0 – 9.0
Pacific Basin (ex-Japan) Equity	Passive	8.5	4.5 – 12.5
Global Emerging Markets	Active	5.0	2.0 – 8.0
Long Dated Corporate Bond	Active	25.0	15.0 – 35.0
Index-Linked Passive Fund	Passive	8.0	4.0 – 12.0

Investment Distribution/Strategy

The following table provides a breakdown of the Scheme assets at the beginning and end of the period.

Asset Distribution	31/03/23	31/03/22
<i>(By Fund)</i>	<i>%</i>	<i>%</i>
UK Equity Passive	23.2	25.4
North America Equity Passive	11.5	12.2
Europe Equity Passive	14.0	13.9
Japan Equity Passive	6.0	6.0
Pacific Basin (ex-Japan) Equity Passive	9.4	9.0
Global Emerging Markets	5.2	5.1
Long Dated Corporate Bond	23.7	21.9
Index Linked Passive	7.0	6.5
<i>Total</i>	<i>100.0</i>	<i>100.0</i>

Source: M&G, Bid price basis

The scheme also has a separate holding under PPL 6658. The assets at the beginning and end of the period are shown below.

Asset Distribution	31/3/23	31/3/22
<i>(By Fund)</i>	%	%
Episode Allocation	98.7	98.7
Cash	1.3	1.3
<i>Total</i>	100.0	100.0

Source: M&G, Bid price basis

Review of Investment Markets

Global equities closed a volatile 12 months with flat returns. Shares initially weakened sharply on growing recessionary fears as central banks tightened monetary policy aggressively to combat soaring inflation. However, share prices reversed direction in the final quarter of 2022, boosted by signs that inflationary pressures may have peaked and optimism over China's reopening following the nation's surprise zero-COVID pivot. Global stocks rallied further in the first quarter of 2023, helped by speculation that central banks may be nearing the end of their rate-hiking cycles. While March's banking crisis caused some short-term volatility, it further fuelled hopes that central banks would soon switch to a more dovish stance.

Equity returns were mixed. While the FTSE 100 Index of large-cap UK companies posted solid gains as multinational companies' overseas earnings were boosted by a weak British pound, the more domestically focused FTSE 250 declined as the UK faced a cost-of-living crisis. Elsewhere, European stocks rallied, boosted by growing hopes that the continent would avoid energy rationing and blackouts. Japanese equities also advanced but US shares fell as growth-focused stocks were hit by higher interest rates. Chinese stocks also lost ground as the country's strict pandemic restrictions weighed on economic activity for much of the review period.

Global bonds sold off sharply as central banks raised rates aggressively. 10-year benchmark bond yields rose to the highest levels in more than a decade as the era of negative interest rates ended. UK bonds were among the worst performers, with the yield on the 10-year gilt touching a 14-year high of 4.5% in late-September 2022 as the UK's fiscal credibility was undermined by Liz Truss' unfunded tax cuts. Meanwhile, international bond returns were helped by an appreciation in many currencies versus sterling.

After heavy falls in the second half of 2022, the decline in UK commercial property values moderated in the first two months of 2023 amid better-than-expected economic performance and hopes that the UK was close to a peak in interest rates. Investors continued to favour higher quality, ESG-compliant assets in prime locations, which should prove more resilient against economic uncertainty and a backdrop of structural change.

Performance

Investment returns as at the year end for this Scheme are shown in the table below.

Fund <i>Benchmark</i>	Performance to 31/03/23 (Annualised) %		
	1 year	3 years	5 years
Northern Ireland Assembly Members Pension Scheme	-6.3	7.5	4.0
<i>Composite Scheme Benchmark</i>	-7.5	6.6	3.8

Source: M&G and BNY Mellon. Percentage change in bid prices. Returns shown are net of fees. Past performance is not a guide to the future. The value of units can go down as well as up and you may not get your money back. The value of overseas investments may be affected by currency exchange rates.

Investment returns as at the year end for these funds are shown in the table below.

Fund <i>Benchmark</i>	Performance to 31/03/23 (Annualised) %		
	1 year	3 years	5 years
M&G PP Episode Allocation Fund	1.0	8.8	2.4
<i>1 Week SONIA +5% p.a.</i>	7.3	5.8	5.8

Source: M&G and ABI. Percentage change in bid prices. Returns shown are net of fees. Past performance is not a guide to the future. The value of units can go down as well as up and you may not get your money back. The value of overseas investments may be affected by currency exchange rates.

Fund <i>Benchmark</i>	Performance to 31/03/23 (Annualised) %		
	1 year	3 years	5 years
M&G PP Long Dated Corporate Bond	-22.6	-7.5	-2.9
<i>iBoxx £ >15 Years Non-Gilt Index</i>	-23.2	-8.4	-3.5
M&G PP Cash Fund	2.1	0.7	0.6
<i>Sterling Overnight Index Average (SONIA) 1 Week.</i>	2.2	0.8	0.7

Source: M&G. Percentage change in bid prices. Returns shown are net of fees. Past performance is not a guide to the future. The value of units can go down as well as up and you may not get your money back. The value of overseas investments may be affected by currency exchange rates.

Fund	<i>Benchmark</i>	Performance to 31/03/23 (Annualised)		
		%		
		1 year	3 years	5 years
M&G PP Global Emerging Markets Fund		4.4	16.7	4.7
	<i>MSCI Emerging Markets Free Index</i>	-4.5	8.3	2.0

Source: M&G. Percentage change in bid prices. Returns shown are net of fees. Past performance is not a guide to the future. The value of units can go down as well as up and you may not get your money back. The value of overseas investments may be affected by currency exchange rates.

Fund	<i>Benchmark</i>	Performance 31/03/23 (Annualised) %		
		1 year	3 years	5 years
M&G PP UK Equity Passive Fund		2.7	13.5	4.9
	<i>FTSE All-Share Index</i>	2.9	13.8	5.0
M&G PP North America Equity Passive Fund		-2.5	18.4	13.3
	<i>FTSE World North America Index</i>	-2.5	18.5	13.7
M&G PP Europe ex-UK Equity Passive Fund		8.2	15.4	7.4
	<i>FTSE World Europe (ex-UK) Index</i>	8.7	16.0	8.1
M&G PP Japan Equity Passive Fund		1.6	7.3	3.7
	<i>FTSE Japan Index</i>	1.9	7.9	4.1
M&G PP Pacific Basin ex-Japan Equity Passive Fund		-5.2	14.8	6.0
	<i>FTSE World Asia Pacific ex-Japan Index</i>	-4.1	15.7	6.7

Source: M&G. Percentage change in bid prices. Returns shown are net of fees. Past performance is not a guide to the future. The value of units can go down as well as up and you may not get your money back. The value of overseas investments may be affected by currency exchange rates.

Fund	<i>Benchmark</i>	Performance to 31/03/23 (Annualised)		
		%		
		1 year	3 years	5 years
M&G PP Index-Linked Passive Fund		-30.2	-9.2	-4.1
	<i>iBoxx UK Gilt Inflation-Linked Over 5 Year Index</i>	-30.1	-9.1	-4.1

Source: M&G. Percentage change in bid prices. Returns shown are net of fees. Past performance is not a guide to the future. The value of units can go down as well as up and you may not get your money back. The value of overseas investments may be affected by currency exchange rates.

- The **M&G PP Episode Allocation Fund** gains its exposure through the M&G Episode Allocation Fund, an M&G OEIC. The Fund seeks to manage risk by investing globally across multiple asset classes, sectors, currencies and countries. The Fund will typically invest 20-60% of its assets in equities and convertibles, 30-75% in fixed income securities or cash, and up to 20% in other assets. These allocations reflect the net exposure of the portfolio. The Fund will typically take investment positions at index or sector level, but it may also take positions in individual shares or bonds. The Fund's investment strategy may involve the use of derivatives to take long or short positions.
- The fund rose by 1.0% over the 12 months under review, lagging its comparator which rose by 7.3%. It was a period of two halves for global stocks. Share prices fell sharply for the first two quarters amid growing fears that a period of negative growth would be needed to tame rampant inflation. However, stocks later recouped their earlier losses as recessionary fears faded. In contrast, bond returns were steeply negative following a succession of aggressive rate hikes from central banks.
- Equities were the largest contributors to performance, particularly the exposure to European stocks and Japanese shares, although holdings in the US, Greater China, Taiwan and South Korea detracted modestly. Another contributor was the basket of banking stocks which was sold in February prior to the banking crisis. Non-mainstream allocations to emerging market bonds, especially in Mexico, Brazil and Turkey, also added value, as did the decision to add a new position in long-dated UK government bonds following their severe sell-off in September 2022. However, a holding in the M&G Property Portfolio hurt.
- The **M&G PP Global Emerging Markets Fund** gains its exposure through the M&G Global Emerging Markets Fund, an M&G OEIC. The fund is actively managed and performance is compared to the MSCI Emerging Markets Index. At least 80% of the Fund is invested directly in equity securities and equity-related securities of companies across any sector and market capitalisation that are incorporated, domiciled or do most of their business in Emerging Market countries. The Fund employs a bottom-up stock picking approach to identify companies whose long-term prospects are, in the fund manager's opinion, being undervalued. The Fund's approach incorporates three elements: return on capital, valuations and corporate governance. It is the core belief of the fund manager that company-specific factors, in particular their profitability (which is measured in terms of return on capital), drive share prices over the long run. The Fund's country and sector exposure is not influenced by top-down views. The Fund may also invest in other transferable securities directly and via collective investment schemes (including funds managed by M&G). The Fund may also hold cash and near cash for liquidity purposes. Derivatives may be used for Efficient Portfolio Management and hedging.
- The fund rose by 4.4% over the 12 months under review, ahead of its benchmark which returned -4.5%. Emerging market equities ended the review period with negative returns as higher US interest rates, a strong US dollar and China's strict zero-COVID policy dampened the outlook for growth and global demand. Nevertheless, Chinese stocks rallied sharply towards the end of 2022, boosted by optimism over China's reopening following the authorities' surprise zero-COVID pivot.
- South Africa-based Naspers was the top contributor, followed by Fibra Uno Administracion, a real estate investment trust based in Mexico. While China's

stockmarket underperformed, strong stock selection lifted the fund's holdings in the country, with positions in travel agency Trip.com, biotechnology firm BeiGene and internet search engine Baidu contributing, although not holding Tencent hurt. In contrast, Brazilian sugar producer Raizen was the largest detractor. South African miner Sibanye Stillwater was another key detractor due to a protracted strike.

- The **M&G PP Long Dated Corporate Bond Fund** invests mainly in high quality Sterling corporate bonds with over 15 years to maturity. The fund is actively managed against its benchmark, the iBoxx Sterling Over 15 Years Non-Gilts Index. The fund may also hold UK government gilts and limited amounts of high yield and hedged non-sterling corporate bonds. Derivative instruments may be used for efficient portfolio fund management.
- The fund fell by 22.6% over the 12 months under review, ahead of its benchmark which returned -23.2%. Corporate bonds sold off with yields reaching multi-year highs as rampant inflation caused central banks to hike interest rates aggressively. Corporate bond spreads were volatile, reflecting investors' changing views over the outlook for the economy. Nevertheless, corporate bonds outperformed government debt over the 12 months, particularly high-yield bonds as their larger coupons provided a cushion against rising rates.
- Both sector selection and stock selection added to the fund's relative returns, with a positive contribution from the utility and financial sectors more than offsetting weaker relative performance in the industrial sector. The fund's underweight position in credit spread duration was also beneficial as yields rose over the period. Performance in the first quarter of 2023 was boosted by holding senior bonds issued by Credit Suisse which performed strongly following the UBS takeover announcement.
- The **M&G PP Cash Fund** invests in both secured (reverse repurchase agreements) and unsecured interest bearing deposits, as well as short-term UK Government bonds and bills and Certificates of Deposit. It is actively managed against its benchmark, the Sterling Overnight Index Average (SONIA) 1 Week.
- The fund returned 2.1% over the 12 months under review, slightly lagging its benchmark which returned 2.2%. The Bank of England took steps to rein in rampant inflation, raising rates to 4.25% which is the highest level since 2007. UK inflation remained elevated, topping 10% for seven consecutive months, having hit a 41-year high of 11.1% in October.
- The fund continued to be actively managed with a focus on capital preservation and liquidity. The fund was primarily invested in reverse repurchase agreements ('reverse repos') which provide collateral, typically short-term gilts, against cash deposits made by the fund. All reverse repos were transacted with banks from M&G's counterparty credit risk panel and had a maturity of no more than one month.
- The **M&G PP UK Equity Passive Fund** invests in the shares of UK companies. The fund is passively managed against its benchmark, the FTSE All-Share Index. The fund tracks the index by holding all of the companies which make up the FTSE 100 Index (excluding Prudential plc), together with a representative sample of the remainder of the companies in the All-Share Index, subject to compliance with M&G's ESG investment policies.

- The **M&G PP North America Equity Passive Fund** invests in the shares of North American companies. The fund is passively managed against its benchmark, the FTSE World North America Index. The fund tracks the index by holding all the larger companies in the index, together with a representative sample of the remainder of the companies in the index, subject to compliance with M&G's ESG investment policies.
- The **M&G PP Europe Equity Passive Fund** invests in the shares of European companies outside the UK. The fund is passively managed against its benchmark, the FTSE World Europe (ex UK) Index. The fund tracks the index by holding all the larger companies in the index, together with a representative sample of the remainder of the companies in the index, subject to compliance with M&G's ESG investment policies.
- The **M&G PP Japan Equity Passive Fund** invests in the shares of Japanese companies. The fund is passively managed against its benchmark, the FTSE Japan Index. The fund tracks the index by holding all the larger companies in the index together with a representative sample of the remainder of the companies in the index, subject to compliance with M&G's ESG investment policies.
- The **M&G PP Pacific Basin ex-Japan Equity Passive Fund** invests in the shares of companies around the Pacific Basin excluding Japan. The fund is passively managed against its benchmark, the FTSE World Asia Pacific ex-Japan Index. The fund tracks the index by holding all the larger companies in the index, together with a representative sample of the remainder of the companies in the index, subject to compliance with M&G's ESG investment policies.
- The **M&G PP Index-Linked Passive Fund** invests in UK Government index-linked gilts with over five years to maturity. The Fund is passively managed against its benchmark, the iBoxx UK Gilt Inflation-Linked Over 5 Year Index. Tracking this index is achieved by fully replicating the stocks in the Index.

Issued by M&G Financial Services Limited, which is authorised and regulated by the Financial Conduct Authority in the UK. M&G Pooled Pensions funds are provided under an insurance contract issued by Prudential Pensions Limited and Prudential Pensions Limited has appointed M&G Financial Services Limited as a distributor of its products. The registered office of both companies is 10 Fenchurch Avenue, London, EC3M 5AG. Both companies are registered in England under numbers 923891 and 992726 respectively.

Statement of Trustees' Responsibilities

The preparation of financial statements is the responsibility of the Trustees. Pension scheme regulations require the Trustees to make available to the AMP Scheme members, beneficiaries and certain other parties, audited financial statements each year which show a true and fair view of the financial transactions of the AMP Scheme during the reporting period. These statements must show the amount and disposition at the end of the scheme year of the Scheme's assets and liabilities, other than liabilities to pay pensions and benefits after the end of the Scheme year.

The Trustees are responsible for agreeing suitable accounting policies, to be applied consistently, making any estimates and judgements on a prudent and reasonable basis.

The Trustees are also responsible for making available certain other information about the AMP Scheme in the form of an annual report.

The Trustees are responsible under legislation for ensuring that there is prepared, maintained, and from time to time revised, a schedule of contributions payable towards the scheme by the Consolidated Fund and the active members of the AMP Scheme. The Trustees are also responsible for keeping records in respect of contributions received in respect of any active member of the AMP Scheme, and for monitoring whether contributions are made to the AMP Scheme from the Consolidated Fund in accordance with the schedule of contributions, the AMP Scheme rules and recommendations of the actuary.

The Trustees also have a general responsibility for ensuring that adequate accounting records are maintained and for taking such steps as are reasonably open to them to safeguard the assets of the AMP Scheme and to prevent and detect fraud and other irregularities, including the maintenance of an appropriate system of internal control.

As Trustees we have taken all the steps that we ought to have taken to make ourselves aware of any relevant audit information and to ensure that the AMP Scheme's auditors have knowledge of that information. As far as we are aware, there is no relevant information of which the auditors did not have access to or were not notified of.

Governance Statement

Scope of Responsibility

We acknowledge our responsibility as Trustees for maintaining a sound system of governance to safeguard the public funds and assets connected with the Assembly Members' Pension Scheme (NI) 2016 (AMP Scheme).

The AMP Scheme is a statutory pension scheme and operates within a legislative framework.

Governance Framework

The responsibilities of the Trustees are clearly defined in the Statement of Trustees' responsibilities on page 26 within this Annual Report.

The Trustees are Members of the Legislative Assembly ("Members" or "MLAs"), appointed by Resolution of the Assembly in accordance with rules of the AMP Scheme (Article B2).

Not more than five members of the Assembly can be appointed as Trustees of the Scheme.

Following each election of the Assembly a motion is normally brought to the Assembly to (re) appoint Trustees for the new Mandate. However, following the Assembly election in May 2022, as a Speaker was not elected by the Assembly, normal business did not resume, and therefore, the Assembly was unable to exercise its powers under Article B2 of the AMP Scheme rules to appoint Trustees.

As a result, the extant Trustees continued to hold office. However, three Trustees did not stand, or were not re-elected, in the Assembly election, and were only able to continue to hold the office for a maximum of 6 months following their departure from the Assembly, unless they resigned prior to that date (as per Article B2 (2) (c)).

In the absence of Assembly business, three replacement Trustees were appointed by Deed, under the provisions of Section 35 of the Trustee Act (Northern Ireland) 1958, on 4 November 2022. It was agreed however, that once full Assembly business returned a motion would be brought to the Assembly to appoint all Trustees in accordance with the AMP Scheme rules.

Prior to certification of these Accounts further changes to the Trustees occurred. Dr Caoimhe Archibald MLA and Mr Keith Buchanan MLA resigned on 14 February 2024 and 20 February 2024 respectively. Mr Trevor Clarke MLA, Ms Ciara Ferguson MLA and were appointed as new Trustees, and Dr Steve Aiken OBE MLA, Mr Stewart Dickson MLA and Mr Mark H Durkan MLA were reappointed as Trustees by resolution of the Assembly on 11 March 2024.

During the reporting period and prior to certification of these accounts there were a number of changes to the Trustees.

A list of the Trustees who held office during the year end 31 March 2023 and a record of their attendance at the meetings during their tenure is summarised in the table over:

Role	Name	Percentage of Regular Meetings Attended
Chair	Mr Jim Wells MLA (up to 27 September 2022)	100%
Member	Mr Roy Beggs MLA (up to 7 June 2022) <i>(no meetings took place between 1 April and up to date of resignation)</i>	N/A
Member	Mr Pat Catney MLA (up to 5 November 2022)	100%
Chair	Dr Caoimhe Archibald MLA (appointed Chair 7 March 2023)	100%
Member	Mr Stewart Dickson MLA	75%
Member	Dr Stephen Aiken OBE MLA (from 4 November 2022)	100%
Member	Mr Keith Buchanan MLA (from 4 November 2022)	100%
Member	Mr Mark H Durkan (from 4 November 2022)	100%

As noted above a number of further changes occurred after the reporting period, but prior to certification of these accounts. As no meetings took place with the new Trustees during this reporting period, their attendance will be reported in subsequent reporting periods, as appropriate.

During the period covered by this report four regular meetings were held during year ended 31 March 2023.

The minutes of each Trustee meeting are published on the Assembly Commission's website and can be accessed using the following link:

<http://www.niassembly.gov.uk/your-mlas/members-pension-scheme/meetings-of-the-assembly-pension-trustees/>

The Trustees have appointed a number of professional advisors to assist them with discharging their duties. This includes legal advisors, pension administrators, auditors and actuaries. Briefing papers prepared by the AMP Scheme's professional advisors are presented and considered by the Trustees at each meeting. This includes regular review matters arising and investment performance. This information together with additional briefing papers prepared by Assembly Commission staff provide good quality data which assists the Trustees in exercising their functions effectively.

The day-to-day administration of the AMP Scheme and the provision of secretarial support for the Trustee meetings is undertaken by Deloitte Total Reward and Benefits Ltd (DTRB Ltd). DTRB Ltd have provided administration services to the AMP Scheme since 1 September 2012 and were re-appointed in June 2017 following a tender exercise.

After the reporting date, but prior to the certification of this Report and Accounts DTRB Ltd was acquired by ISIO (May 2023), consequently all references to DTRB Ltd. have been replaced throughout the Report to reflect the new legal position of the company. The

contract has not been renegotiated as part of ISIO's acquisition of DTRB Ltd., therefore, it continues to provide the same administrative services to the Trustees on the same terms.

The Assembly Commission's Finance Office also provides administrative support to the Trustees, dealing with requests for historical and current payroll and service information, undertaking payroll duties, making payments on behalf of the Trustees, managing cashflow and preparing the annual Report and Accounts. This is provided under the terms of a long-standing administration agreement between the Pension Trustees and the Assembly Commission.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an ongoing process designed to identify the principal risks to the achievement of the AMP Scheme aims and objectives, to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically. It is based on a framework of regular management information, financial regulations, administrative procedures including the segregation of duties, and a system of delegation and accountability. This system of internal control has been in place for the AMP Scheme for the year ended 31 March 2023 and up to the date of approval of the Annual Report and Accounts.

Significant Internal Control Problems

There were no significant internal control issues noted during the year.

Capacity to Handle Risk and Risk Management

The AMP Scheme's day-to-day administration is undertaken on behalf of the Trustees by ISIO (formerly DTRB Ltd); along with the responsibility for the development and maintenance of the control framework. The principle risks to the Trustees are identified and managed through a risk management regime, where principle risks are recorded on a register, which is reviewed and updated as required.

Trustees identify and assess risks into three categories, high/medium/low, based on factors such as the likelihood of the risk materialising, the impact that the risk might have if it did occur and the controls currently in place to manage each identified risk. Each risk has an identified risk owner. The resulting register is used to identify any additional measures, which are considered necessary to effectively manage the risks.

It had been intended to undertake a formal review of the risk register once there was a full return to Assembly business and new Trustees were appointed. However, following the election as this did not occur, and, in light of the significant number of changes in Trustees, it was agreed that risk management training will be delivered in a separate meeting during autumn 2023. A detailed review of the emerging risks will be undertaken once the training has been delivered.

The following are examples of the risks that were identified previously and the measures put in place to minimise their impact:

- Investment: The pension fund is invested in line with the Statement of Investment Principles and responsibility has been delegated to the investment managers, M&G Investments Ltd and latterly with Abrdn;
- Pension Scheme Records: Accurate records have been maintained of past and present members, transactions into and out of the AMP Scheme and of Trustees' meetings;
- Pension Trustee Meetings are held regularly to monitor the steps taken by the administrative staff to manage risks in their areas of responsibility;
- Members: It is ensured that the Trustees appointed meet the member-nominated Trustee requirements. There is a procedure in place to resolve disputes about the AMP Scheme with members. Information is provided to AMP Scheme members; and
- Registration and Collecting the Levy: The registrar of Pensions is provided with information required by law and informed of any changes to Scheme.

Review of effectiveness

The Assembly Commission is subject to review by an internal audit team from EY, which operates to standards defined in the Public Service Internal Audit Standards. The internal audit work is informed by an analysis of the risk to which the Assembly Commission is exposed and annual internal audit plans are based on this analysis. The administration of the AMP Scheme and the support provided to the Trustees is covered by the work of the EY team.

The review of the effectiveness of the system of internal control is informed by the work of the auditors and the senior managers within the Assembly Commission who have responsibility for the development and maintenance of the internal control framework, and comments made by the internal audit team from EY and the external auditors from the Northern Ireland Audit Office, who audit the AMP Scheme accounts each year.

The most recent internal audit review (March 2019) and follow up review of the AMP Scheme (June 2022) concluded that the controls established by management were adequate to ensure that business objectives were met. A satisfactory level of assurance was awarded.

General

There are a number of issues that should be mentioned to provide context to this Annual Report and Accounts of the AMP Scheme.

Firstly, the McCloud judgement which the potential to increase the liabilities by an estimated £2.8 million.

The McCloud judgement found that the transitional protection offered to members of the Judiciary and Firefighters Schemes when their schemes were reformed was discriminatory on grounds of age. In light of this decision, the Government agreed to provide a remedy to eligible members across the main public sector schemes. This judgement could have an impact on Members who missed out on the Transitional Protection policy because of their age, when the AMP Scheme changed to a Career Average Revalued Earnings (CARE) Scheme in 2016.

However, the applicability of, and approach to, the McCloud judgement in relation to the AMP Scheme is not a matter for the Assembly Commission. Instead it is a matter for the Independent Financial Review Panel (the Panel), which was established in July 2011 to determine matters on Members' pay, pension and allowances. A planned reform of the scope and terms of office for the Panel was not completed prior to the Assembly election in May 2022 and as such, no appointments were made to the Panel, following the end of tenure of the previous Panel members in July 2016.

The AMP Scheme cannot be amended in the absence of a Panel so this matter remains unresolved. Therefore, this matter will be given further consideration once a new Panel is appointed. In the absence of the Panel to consider and develop a remedy for those Members who will be affected by this judgement an estimate for the costs have been factored in by the Government Actuary's Department (GAD) calculations. Liaising with GAD, the Trustees are keeping a watching brief on how other UK Parliamentary pension schemes are developing and implementing appropriate remedies.

Secondly, the current uncertainty within the financial markets. Global financial markets continue to be challenged by a number of factors, such as the cost of living crisis in the UK, the war in Ukraine, which continue to have an impact on the value of the assets of the AMP Scheme's Fund. However, the long-term effect on the investments held in the Fund is unknown.

Personal Data Incidents

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

Approved on behalf of the Trustees by:



Stewart Dickson MLA
Trustee
Date: 1 May 2024



Trevor Clarke MLA
Trustee
Date: 1 May 2024

NORTHERN IRELAND ASSEMBLY MEMBERS' PENSION FUND

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

Opinion on financial statements

I certify that I have audited the financial statements of the Northern Ireland Assembly Members' Pension Scheme for the year ended 31 March 2023 under Schedule 1 of the Assembly Members' Pension Scheme (Northern Ireland) 2016. The financial statements comprise the Fund Account, Net Assets Statement, and the related notes including significant accounting policies. The financial reporting framework applied in their preparation was the Financial Reports of Pension Schemes: A Statement of Recommended Practice (2018).

In my opinion the financial statements:

- give a true and fair view of the state of the Scheme's affairs as at 31 March 2023 and of the net decrease in the Scheme during the year; including the amount and disposition of its net assets, other than liabilities to pay pensions and benefits after the Scheme year-end; and
- have been properly prepared in accordance with Schedule 1 of the Assembly Members' Pension Scheme (Northern Ireland) 2016 and the by the Comptroller and Auditor General directions issued thereunder.

Opinion on regularity

In my opinion, in all material respects 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.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK), applicable law and Practice Note 10 'Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of this certificate. My staff and I are independent of the Northern Ireland Assembly Members' Pension Scheme in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK, including the Financial Reporting Council's Ethical Standard, and have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my opinions.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the Northern Ireland Assembly Members' Pension Scheme's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Northern Ireland Assembly Members' Pension Scheme's ability to continue as a going concern

for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other Information

The other information comprises the information included in the annual report other than the financial statements and my audit certificate and report. The Trustees are responsible for the other information included in the annual report. My opinion on the financial statements does not cover the other information and except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report, the Compliance Statement and the Investment Manager's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

In the light of the knowledge and understanding of the Northern Ireland Assembly Members' Pension Scheme and its environment obtained in the course of the audit, I have not identified material misstatements in the Trustees' Report, the Compliance Statement or the Investment Manager's Report.

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 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 the Department of Finance's guidance.

Responsibilities of the Trustees for the financial statements

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees are responsible for:

- the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;

- ensuring the Trustees' Report is prepared in accordance with the applicable financial reporting framework;
- such internal controls as the Trustees' determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; and
- assessing the Northern Ireland Assembly Members' Pension Scheme's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees' either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to examine and certify the financial statements in accordance with Schedule 1 of the Assembly Members' Pension Scheme (Northern Ireland) 2016.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue a certificate that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud.

My procedures included:

- obtaining an understanding of the legal and regulatory framework applicable to the Northern Ireland Assembly Members' Pension Scheme through discussion with management and application of extensive public sector accountability knowledge. The key laws and regulations I considered included the Assembly Members' Pension Scheme (NI) 2016 and the Northern Ireland (Executive Formation etc) Act 2022;
- making enquires of management and those charged with governance on Northern Ireland Assembly Members' Pension Scheme's compliance with laws and regulations;
- making enquiries of internal audit, management and those charged with governance as to susceptibility to irregularity and fraud, their assessment of the risk of material misstatement due to fraud and irregularity, and their knowledge of actual, suspected and alleged fraud and irregularity;
- completing risk assessment procedures to assess the susceptibility of Northern Ireland's Assembly Members' Pension Scheme's financial statements to material misstatement, including how fraud might occur. This included, but was not limited to, an engagement director led engagement team discussion on fraud to identify particular areas, transaction streams and business practices that may be susceptible to material misstatement due to fraud. As part of this discussion, I identified potential for fraud in the following areas: revenue recognition, expenditure recognition, posting of unusual journals and pension payments.
- engagement director oversight to ensure the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with the applicable legal and regulatory framework throughout the audit;

- designing audit procedures to address specific laws and regulations which the engagement team considered to have a direct material effect on the financial statements in terms of misstatement and irregularity, including fraud. These audit procedures included, but were not limited to, reading minutes, and agreeing financial statement disclosures to underlying supporting documentation and approvals as appropriate; and
- addressing the risk of fraud as a result of management override of controls by:
 - performing analytical procedures to identify unusual or unexpected relationships or movements;
 - testing journal entries to identify potential anomalies, and inappropriate or unauthorised adjustments;
 - assessing whether judgements and other assumptions made in determining accounting estimates were indicative of potential bias; and
 - investigating significant or unusual transactions made outside of the normal course of business.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

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.

Report

I have no observations to make on these financial statements.



Dorinnia Carville
Comptroller and Auditor General
Northern Ireland Audit Office
106 University Street
BELFAST
BT7 1EU

9 May 2024

Financial Statements

Fund Account for the year ended 31 March 2023

		£	£
	Note	2022-23	2021-22
Contributions and Benefits			
Contributions receivable	3	1,239,056	1,349,404
Individual transfers in from other schemes		-	-
		1,239,056	1,349,404
Individual Transfers paid to other schemes		-	(646,758)
Benefits payable	4	(1,758,768)	(1,466,950)
Other Payments	5	(1)	(1,896)
Administrative expenses	6	(170,942)	(241,045)
		(1,929,711)	(2,356,649)
Net additions from dealings with members		(690,655)	(1,007,245)
Returns on Investments			
Investment Income	7	-	-
Change in market value of investments	8	(2,296,237)	2,116,333
Investment management expenses	10	(96,795)	(107,466)
Net returns on Investments		(2,393,032)	2,008,867
Net Increase/(decrease) in the Fund During the period		(3,083,687)	1,001,622
Net Assets of the Fund at 1 April		44,350,476	43,348,854
At 31 March		41,266,789	44,350,476

The notes on pages 38 to 44 form part of these accounts.

Net Assets Statement as at 31 March 2023

		£	£
Investments	Note	2022-23	2021-22
Managed Fund	8	41,164,662	44,022,104
AVC Investment	8	64,153	221,871
Net current assets/(liabilities)	11	37,974	106,501
Net Assets of the Fund as at 31 March		41,266,789	44,350,476

The notes on pages 38 to 44 form part of these accounts.

These financial statements summarise the transactions of the Scheme and deal with the net assets at the disposal of the Trustees. They do not take account of obligations to pay pensions and benefits which fall due after the end of the Scheme year. The actuarial position of the Scheme, which takes into account such obligations for the defined benefit section, is dealt with in the Government Actuary's Department Report on page 14 of the annual report and these financial statements should be read in conjunction with this report.

These financial statements were approved on behalf of the Trustees by:



Stewart Dickson MLA
Trustee
Date: 1 May 2024



Trevor Clarke MLA
Trustee
Date: 1 May 2024

Notes to the Financial Statements

1 Basis of Preparation

The accounts meet the accounting and disclosure requirements of the Statement of Recommended Practice (SORP) (revised July 2018) Financial Reports of Pension Schemes, as far as appropriate.

The financial statements summarise the transactions of the Fund and deal with the net assets at the disposal of the Trustees. They do not take account of obligations to pay pensions and benefits which fall due after the end of the year. The actuarial position of the Fund, which does take account of such obligations, is dealt with in the Government Actuary's Department valuation report on the position of the Fund as at 31 March 2023 and these financial statements should be read in conjunction with that report.

2 Accounting Policies

The principal accounting policies are:

- Normal pension contributions are accounted for on an accruals basis;
- Pension benefits are accounted for on an accruals basis;
- Transfer values from and to other pension schemes represent the amounts received and paid during the year for members who either joined or left the Fund;
- The change in the market value of investments during the year comprises all increases and decreases in the market value of investments held at any time during the year;
- Pooled investments vehicles are included at fair value at the latest available bid price provided by the investment manager: and
- All other expenditure is accounted for in the period to which it relates.

3 Contributions Receivable

	2022-23	2021-22
	£	£
ER (Consolidated Fund) contributions:		
Normal	842,772	880,155
Members' contributions:		
Normal	396,284	461,681
Employees Arrears		
	-	-
Additional Voluntary Contributions (AVCs)		7,658
	1,239,056	1,349,404

Consolidated Fund contributions are paid out of money appropriated by Act of the Assembly.

4 Benefits Payable

	2022-23 £	2021-22 £
Pensions	1,115,938	959,516
Lump sum payable on retirement	489,064	393,434
Lump sum payable at age 75	-	-
Lump sum payable on death	-	114,000
AVC lump sum payable on retirement	153,766	-
	1,758,768	1,466,950

Where members can choose whether to take their benefits as a full pension or as a lump sum with a reduced pension, retirement benefits are accounted for on an accruals basis on the later of the date of retirement and the date the option is exercised.

5 Other Payments

	2022-23 £	2021-22 £
Consultancy Fees	-	-
Trustee Training	-	-
Contribution Refund	-	1,896
Miscellaneous (bank fees)	1	
	1	1,896

6 Administrative Expenses

	2022-23 £	2021-22 £
Actuarial Fees	112,020	157,384
Administration Costs	33,291	32,425
Advisory Fees	25,631	51,236
	170,942	241,045

The day-to-day administration of the AMP Scheme and the provision of secretarial support for the Trustee meetings is undertaken by ISIO (formerly DTRB Ltd). However, the Assembly Commission's Finance Office also provides administrative support to the Trustees, dealing with requests for historical and current payroll and service information, undertaking payroll duties and preparing the annual report and accounts. This is provided under the terms of a long standing administration agreement between the Pension Trustees and the Assembly Commission. The administrative costs of the ISIO contract are borne by the Scheme. The on-going costs of the work undertaken by the Finance Office, while acknowledged by the Trustees, are borne by the Assembly Commission and are not included in these accounts. The cost of this service by the Assembly Commission was £39,549 for 2022-23 (2021-22, £36,765).

The notional cost of the work performed by the Northern Ireland Audit Office for 2022-23 was £10,000 (2021-22 £9,000). This cost is borne by the Northern Ireland Assembly Commission.

7 Investment Income

	£	£
	2022-23	2021-22
M&G - Bond Income	-	-
	-	-

Under the current contract with M&G income may arise from arising from a management fee rebate. Where this arises it is included as investment income as the rebate is reinvested with the purchase of additional units.

8 Investments

	Value at 31 March 2022	Purchases at Cost	Sales	Retirement Benefits Paid	Changes in Market Value	Management Charges	Value at 31 March 2023
	£	£	£	£	£	£	£
M&G Main Fund	37,931,232	-	(469,000)	-	(2,382,907)	(64,520)	35,014,805
M&G - Bond	6,090,872	-	-	-	91,260	(32,275)	6,149,857
AVC Investments	221,871	638	(153,766)		(4,590)		64,153
Total	44,243,975	638	(622,766)	-	2,296,237	(96,795)	41,228,815

The change in market value of investments during the year comprises all increases and decreases in the market value of investments held any time during the year, including profits and losses realised on sales of investments during the year.

Pooled investments vehicles are included at fair value at the latest available bid price provided by the investment manager.

Risks Arising from Financial Instruments

Market Risk	<p>Market risk or price risk is the risk of capital loss as a result of a fall in the price of investments. Fluctuations in price can arise from a variety of sources including interest rate risk, credit risk, currency risk and liquidity risk.</p> <p>The Fund is exposed to market risk as a result of its investment activities. The overall market risk of the Fund will depend on the actual mix of assets and market conditions and will encompass the different elements of risk, some of which may offset each other.</p>
Interest Rate Risk	<p>Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates. The AMPS does not hedge against the effect of such fluctuations and this position is</p>

	reviewed regularly as part of the review of the investment strategy.
Credit Risk	Credit risk is the risk that the counterparty to a transaction or financial instrument will fail to discharge its obligation resulting in a financial loss. This risk is generally reflected in the market price of securities, resulting in the risk being implicitly accounted for in the carrying value of the Fund's investments. The Fund is exposed to credit risk in respect of its investment portfolio and this risk is managed through the selection and use of high quality counterparties and financial institutions.
Currency Risk	Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. As a global investor whose liabilities are sterling based, the AMPS is exposed to fluctuations in exchange rates which can affect the valuation of its investments.
Liquidity Risk	Liquidity risk or cash flow risk is the risk that adequate cash resources will not be available to meet commitments such as the payment of benefits or future investment commitments as they fall due.

The investment strategy of the Fund is highlighted in the Investment Managers Report on page 19 of this report.

Fair Value Hierarchy

The fair value of financial instruments has been disclosed using the following fair value hierarchy:

Level 1

The unadjusted quoted price in an active market for identical assets or liabilities which the entity can access at the assessment dates.

Level 2

Inputs other than the quoted prices included within Level 1 which are observable (i.e. developed for the asset or liability either directly or indirectly).

Level 3

Inputs which are unobservable (i.e. for which market data is unavailable) for the asset or liability.

A fair value measurement is categorised in its entirety on the basis of the lowest level input which is significant to the fair value measurement in its entirety.

The Scheme's investment assets and liabilities fall within the above hierarchy as follows:

As at 31 March 2023	£	£	£	£
	Level 1	Level 2	Level 3	Total
Equities		24,270,312	-	24,270,312
Bonds		10,826,290	-	10,826,290
Multi-Asset		6,068,060	-	6,068,060
AVC Contribution	64,153	-	-	64,153
	64,153	41,164,662	-	41,228,815

As at 31 March 2022	£	£	£	£
	Level 1	Level 2	Level 3	Total
Equities		27,128,313		27,128,313
Bonds		10,883,018		10,883,018
Multi-Asset		6,010,773		6,010,773
AVC Contribution	221,871			221,871
	221,871	44,022,104	0	44,243,975

9 Additional Voluntary Contributions (AVCs)

The Trustees are responsible for administering an AVC scheme whereby participants in the Assembly Members' Pension Scheme may make contributions to secure additional benefits to those provided by the Pension Scheme. The AVC Scheme is closed to new contributors. At 31 March 2023 these contributions were invested separately from the Pension Fund, in a variety of Investment Funds, with an outside provider Clerical Medical. These investments secure additional benefits on a money purchase basis for those members electing to pay AVCs. Members participating in this arrangement will receive an annual statement confirming the amounts held in their account and the movements in the year.

10 Investment Management Expenses

The management fee paid to M&G Investments Ltd was £96,795 (2021-22, £107,466). The management fee is a percentage rate fee based on the value of the portfolio and is deducted on a monthly basis within the price of units held by the Members' Pension Scheme. Under the terms of the contract where a management fee rebates is received it is recognised as investment income as it is reinvested to purchase additional units in the M&G Bond. Nil rebate was recognised (2021-22, nil).

11 Net Current Assets / (Liabilities)

Current assets	2022-23 £	2021-22 £
Contributions and benefits:		
Contributions due	305,415	226,883
Deposit Accounts (AVC)	-	638
Balance at bank	(212,068)	(89,406)
Prepayments	-	-
Sundry Debtors	-	-
	93,347	138,115
Current liabilities		
Pension Arrears due	(18,895)	(15,249)
Other Creditors	(180)	(180)
Administrative Expenses:		
<i>Other Advisory Fees</i>	(21,648)	(2,425)
<i>Actuarial Fees</i>	(9,352)	(9,061)
<i>Other Expenses</i>		-
<i>Administration Fees</i>	(5,298)	(4,699)
	(55,373)	(31,614)
Net Current assets / (liabilities)	37,974	106,501

12 Related party transactions

None of the Trustees, key management staff or any other related party has undertaken any material transactions with the Fund during the year.

13 Events after the reporting period

There have been no events after the reporting period which require adjustment or disclosure under IAS10.

Date authorised for issue

The Trustees of the Assembly Members' Pension Scheme authorised these financial statements for issue on 9 May 2024.

LEGISLATIVE BACKGROUND TO THE AMPS

General

The Assembly Members' Pension Scheme (Northern Ireland) 2000 (AMPS (NI) 2000) was established on 13 May 2000 under the Assembly Members' Pensions Determination 2000, made by the Secretary of State under section 48 of the Northern Ireland Act 1998, by virtue of paragraph 9 of the Schedule of the Northern Ireland Act 2000. The scheme provides benefits for Members and qualifying Office Holders of the Legislative Assembly.

On 30 June 2008, under section 48 of the Northern Ireland Act 1998, the Assembly resolved to confer upon the Assembly Commission the power to amend the pension scheme. On 1 July the Commission amended the rules of the scheme and directed that the revised scheme be called The Assembly Members' Pension Scheme (NI) 2008.

In 2011 the Assembly passed the Assembly Members (Independent Financial Review and Standards) Act (Northern Ireland) establishing a Panel to make determinations in relation to the salaries, pensions and allowances payable to Members.

The Scheme was updated during the 2012–13 year and was renamed the Assembly Members' Pension Scheme (NI) 2012.

In April 2016 the Panel issued The Assembly Members (Pensions) Determination (Northern Ireland) 2016, which introduced a Career Average Revalued Earnings (CARE) scheme for new and existing members. Existing members born on or before 1 April 1960 retained their Final Salary pension under transitional protection arrangements until 5 May 2021.

The new scheme, the Assembly Members' Pension Scheme (Northern Ireland) 2016, replaced the 2012 scheme from 6 May 2016.

Preparation of Annual Accounts

Paragraph 5 of Schedule 1 of the Assembly Members' Pension Scheme (NI) 2016 requires that annual accounts are prepared in accordance with a direction given by the Comptroller and Auditor General for Northern Ireland. The accounts have been prepared, as far as appropriate, in accordance with the Statement of Recommended Practice (SORP) Financial Reports of Pension Schemes in order to conform to best practice reporting requirements. A statement of the Trustees' responsibilities with regard to the preparation of the accounts is on page 26.



Northern Ireland
Assembly

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