



Northern Ireland
Assembly

Audit Committee

OFFICIAL REPORT (Hansard)

Draft Budget 2022-25:
Northern Ireland Assembly Commission

3 November 2021

NORTHERN IRELAND ASSEMBLY

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Members present for all or part of the proceedings:

Mr Daniel McCrossan (Chairperson)

Mr Jim Allister

Mr Alan Chambers

Witnesses:

Mrs Lesley Hogg

Northern Ireland Assembly

The Chairperson (Mr McCrossan): I welcome to the meeting Mrs Lesley Hogg, the Clerk/Chief Executive of the Assembly, and Mr Richard Stewart, the Assembly's director of corporate services.

I can see Mrs Lesley Hogg. You are most welcome to the Committee. Is Mr Richard Stewart in attendance as well?

Mrs Lesley Hogg (Northern Ireland Assembly): Thanks very much, Chair. Richard has not been able to make it. A personal matter has cropped up, so, unfortunately, he sends his apologies.

The Chairperson (Mr McCrossan): That is fine. We are in good hands with you, Lesley. You are most welcome, as always. The session is being recorded by Hansard, as you will know, and the transcript will be published on the Committee web page. With that said, you are welcome to make opening comments.

Mrs Hogg: I thank you and the Committee once again for scrutinising the Assembly Commission's budget, albeit, this time, it is for three years. I appreciate that we do not have much time today and that you have been provided with a briefing paper, so I will try to keep my remarks as brief as possible and highlight just a few key points.

Starting with income, perhaps the only thing to highlight is that the vast majority of income that the Assembly Commission will receive will come from Executive Departments for the recovery of ministerial salaries.

The second category covers salaries and expenses paid to Members. Again, the figures for each subcategory are included in the briefing paper, but there are a few anomalies in the Budget period, and those are largely influenced by the fact that an Assembly election is due to take place in May. First, on Members' salaries, the election will see a fall in the level of salaries that the Assembly Commission will pay in 2022-23. That is because certain elements of salary, such as the additional salary paid to Chairs of Statutory Committees, are not paid during dissolution. Similarly, salaries are

not paid to elected Members between the date of the election and the date of their signing the Roll of Membership. That slightly reduces the Members' salaries budget for 2022-23.

The second point to make about Members' salaries is that an uplift of £500 will be paid from April 2022 on the basis of the consumer price index (CPI) for the previous year. Given the current rate of CPI inflation, it is assumed that further uplifts of £500 will be included from April 2023 and April 2024.

It is worth noting that, should the Assembly amend the role and function of the Independent Financial Review Panel (IFRP) in the next mandate, it seems likely that a new panel or remuneration board would reconsider Members' salaries. I point out that the Assembly Commission has not made any estimate for that, as it would be a matter for the new panel or board to determine.

For constituency office running costs, it is anticipated that additional expenditure on establishment expenses will arise following the Assembly election. Although constituency office costs include a range of assumptions, I highlight the inclusion of an allowance to cover additional staffing costs should Members have a baby or adopt a child and then be absent from their constituency office as a result. That is not included in the current determination, but the Assembly Commission intends to return to the matter at the start of the next mandate.

There are also proposals to increase rates of Members' travel costs, as those have not been altered since 2016. For Members' other costs, the election will see the payment of resettlement allowances to former Members. The budget for that item is therefore substantially higher in 2022-23.

The third category in the Assembly Commission's budget is the largest. It covers the salary payments for Assembly Commission staff and the administration costs that are incurred to deliver the full range of services that the Assembly needs. The first of the staff salary costs is based on an average of approximately 370 full-time equivalent members of staff. It includes the current staffing levels for support for private Members' Bills, which will be maintained over the spending period. Provision is also made for staffing to deliver simultaneous interpretation, as agreed by the Assembly on 15 June 2021.

The Commission's administration costs cover a wide range of expenditure items, including Committee travel and expenses, building costs, rates, electricity and gas, third-party support for the business-critical IT systems that we use and the costs of our recurring contracts, such as those for broadcasting, cleaning and catering. We forecast that those costs will rise slightly at the start of next year — for example, because of utility cost increases — and then remain relatively stable over the remaining years.

The next category is payments to parties under the financial assistance for political parties (FAPP) scheme. That category sees a significant increase in our forecast. First, the Assembly Commission is currently undertaking a review of the FAPP scheme, as it has not been reviewed since 2016. The review will be informed by the Assembly and Executive Review Committee (AERC) debate next week on funding for an official Opposition. Although the Assembly has yet to offer its view on the AERC report, a figure of £100,000 has been included for an Opposition party with 10 Members following the next election. That, of course, will be subject to the will of the Assembly.

The penultimate category covers depreciation and impairment charges. Over the three-year period, those costs are likely to rise, largely because of the capital expenditure that is planned. The Commission expects to incur significant capital expenditure in 2022-23 and 2023-24. I will not go over all the projects, as they are set out in the briefing paper, but substantial investment is planned in our broadcasting infrastructure, back-office systems and IT systems. Committee members will see that some projects have slipped from this year into next year. That has been a frustration. Our ability to engage expert assistance to assist with some of those projects has been impaired, partly by COVID and partly by availability issues, so some of the costs have been moved into the subsequent years. We are starting to see things opening up, however, and we believe that the capital expenditure programme for the next three-year period is ambitious and achievable.

Before I finish, I again record my thanks to the staff of the Assembly secretariat. The time since January 2020 has been extremely busy and demanding — first, with the resumption of normal business and, secondly, with COVID — and we now face the challenges posed in the final year of an Assembly mandate. I cannot say enough about the professionalism, dedication and expertise of our staff. I take the opportunity to put on record my thanks to the Assembly secretariat for all its efforts in supporting the Assembly and its Members.

Thank you for the opportunity to present the Assembly Commission's budget proposals. I am happy to take any questions that members may have.

The Chairperson (Mr McCrossan): Thank you for your opening remarks. I echo your words of thanks to the staff throughout the Assembly. They are absolutely exceptional: courteous, always helpful and there if you need anything. They look after the estate and the Members extremely well. I, too, thank them all. It is important that Members who benefit so much from their help and expertise show their appreciation in a strong and public way.

I will touch on a number of issues that you have raised. There are a number of potential increasing costs, not so much for this financial year but for the years ahead. You touched on the appointment of a new remuneration board that will consider the like of salaries. Before that happens, Clerk, it would do no harm for the Committee to seek comparisons with other jurisdictions, be that Scotland, Wales or even the South, to see the level of salary that is paid there for similar work in public life, because it will be a discussion to be had going forward. It would do no harm for the Committee to be ahead of the game in that regard so that it might anticipate what will or could happen here.

Another issue that has been raised with me is one that has not been included in the most recent determination. You touched on a review of travel expenditure for Members. Given that there has not been an increase since 2016, I anticipate that that will lead to a considerable increase from the level that it is at currently. Members have raised concerns about the fact that there is no mechanism for accommodation to be provided for Members, particularly as we come to the end of the mandate, when legislation is clogging up the system and it is highly likely that MLAs will be in the Chamber until the late hours. My memory of 2017 is exactly that: leaving the Assembly at midnight or 1.00 am and returning early the next day. Previously, there were measures in place to ensure that Members could stay in Belfast. That is the case for MPs in London, TDs in Dublin, Members of the Scottish Parliament and Members of the Welsh Parliament, but there is no such mechanism here. It poses serious questions for health and safety if Members are in the Building until late and then have to travel for two hours to get home. Has that been considered?

Mrs Hogg: Thanks very much, Chair. The Committee might want to look at the salary issues. By way of example, the salary of a Member here is £13,000 less per annum than it is in Scotland and £16,000 less per Member than it is in Wales. That gives you a bit of an idea of where salaries here are by comparison. As I said, however, the Assembly Commission did not want to anticipate what changes, if any, any future remuneration board or panel might make.

On accommodation, Members' travel expenses in the current determination can be used to pay for accommodation following late-night sittings etc. That was envisaged as being part of the Members' travel allowance. You are right that there has been no increase since 2016. Pending any future determination that the Commission might make, we have put in a notional 3% year-on-year increase for travel costs.

The Chairperson (Mr McCrossan): The main reason that I raised that is to do with the health and safety of Members as we come into a busier period of legislation. Over the coming months, I anticipate that there will be long nights as we try to get through the legislative agenda, which, as the Speaker highlighted, will be difficult to get through.

Thanks for that, Lesley. Those are all my questions.

Mr Allister: I have a few questions. In paragraph 18 of your report, you remind us that the Speaker's salary, for example, continues until there is a replacement Speaker, even if the Assembly is not meeting. We had the experience between 2017 and 2020 of the Assembly not meeting, yet the Speaker was paid a full salary. In the light of that experience, has there not been a review of the situation?

Mrs Hogg: The salary was determined by what was the Independent Financial Review Panel. The Commission intends to bring forward legislation to amend that. Any salary considerations would still be for an independent remuneration board to determine, however. Salary decisions are not taken by the Assembly Commission.

Last year, you may recall, the Assembly gave authority to the Assembly Commission to make decisions on Members' expenses. That authority explicitly did not include decisions on Members' salaries, however. Salaries are therefore a matter for whatever will be the successor to the

Independent Financial Review Panel. While the Assembly was not conducting normal business, you may recall, the Secretary of State made some decisions on salary matters.

Mr Allister: He did, but those decisions did not affect the Speaker. If we were to have another interregnum, the Speaker would still continue to be paid his full salary, as if the Assembly were fully operational.

Mrs Hogg: As I said, that would be entirely up to the remuneration panel or whatever the successor panel is to the IFRP. It will make decisions on Members' salaries.

Mr Allister: You mentioned the Bill that the Commission is supposed to be bringing to the Assembly. It has been a long time since it had its First Reading. Where is that Bill?

Mrs Hogg: In the light of all the issues with COVID-19 and more pressing business, the Commission decided to defer bringing it forward in the current mandate. It intends to return to it in the next mandate.

Mr Allister: I see.

In paragraph 33 of your paper, you refer to the extra costs arising from the proposed translation provisions. Can you quantify those for me?

Mrs Hogg: Yes, it is £344,000. You may recall —.

Mr Allister: Per annum?

Mrs Hogg: Per annum, yes. That would be based on —.

Mr Allister: Over the three years, that would be £1 million.

Mrs Hogg: Yes. That would be based on having four interpreters and two chief interpreters for both Irish and Ulster Scots.

Mr Allister: Four interpreters for Ulster Scots, say —.

Mrs Hogg: Sorry, it would be four in total. Two interpreters for Irish, two interpreters for Ulster Scots, a chief interpreter for Irish and a chief interpreter for Ulster Scots.

Mr Allister: Three for each.

Mrs Hogg: Yes. That is correct.

Mr Allister: Has there been any assessment of the likely usage of Ulster Scots, for example?

Mrs Hogg: You may remember that the motion passed by the Assembly in June stated that the provision would be subject to a determination of usage. The Commission will therefore consider the proposals in the light of how best to implement it following the Assembly's decision in June.

Mr Allister: Will you engage, if you can find them, three Ulster-Scots interpreters before you know what the demand is and, likewise, three for Irish?

Mrs Hogg: That will be a matter for the Assembly Commission to consider in the near future. There may be opportunities to employ temporary staff rather than to make permanent appointments.

Mr Allister: We could arrive at the ludicrous situation in which we commit to spending £1 million over three years for interpretation services that, from one aspect or another, might never be used.

Mrs Hogg: The motion passed by the Assembly noted that demand was to be considered and that a review would be undertaken after six months.

Mr Allister: Is the demand to be reviewed before you advertise and recruit?

Mrs Hogg: That is something that the Assembly Commission will consider.

Mr Allister: You are pencilling in the expenditure anyhow.

Mrs Hogg: We are. We have to take a view on the budget at this stage. We have taken, I suppose, a prudent view and have budgeted for the expenditure at this stage. Going forward, we will return any surplus budget provision, if there is one, once the Assembly Commission decides the best way to implement —.

Mr Allister: May I take you to paragraphs 44 and 45, which are on the capital budget?

The Chairperson (Mr McCrossan): Jim, can we go to Alan Chambers? Is Alan still with us?

Mr Allister: I am sorry, but I had one further question.

The Chairperson (Mr McCrossan): OK, Jim.

Mr Allister: Paragraphs 44 and 45 relate to the capital investment and list certain matters. I see no mention of the roof of the Building: is that matter resolved?

Mrs Hogg: No. That matter is ongoing, and we are progressing with it as advised by our legal advisers.

Mr Allister: There is no capital budget to do anything to repair the roof, however.

Mrs Hogg: No. In the first instance, we will be seeking that the contractors repair the roof.

Mr Allister: That is what you told us last year. What progress have we made in that regard?

Mrs Hogg: We continue to seek resolution with the contractors.

Mr Allister: Are there legal proceedings or arbitration proceedings?

Mrs Hogg: I am conscious, Chair, that we are in public session and that these are commercial matters.

The Chairperson (Mr McCrossan): Yes.

Mrs Hogg: We are following legal advice and progressing the matter.

Mr Allister: The roof is still leaking.

Mrs Hogg: The roof is still leaking. I am very conscious of that, and we are doing everything that we can to achieve a resolution.

Mr Allister: You cannot tell us, however, what has advanced in the past year, since I last asked you about it.

Mrs Hogg: We are looking at the best way to progress that, as you would expect, as advised by our legal advisers.

The Chairperson (Mr McCrossan): May I make a suggestion, Mr Allister? I completely appreciate and understand the line of questioning; I also appreciate Lesley's difficulty in sharing that information in public session. May I suggest that we be provided with a report containing a full update on the matter for our private consideration or at least that we discuss it in private at a future session?

Mr Allister: Yes, I am happy with that.

The Chairperson (Mr McCrossan): Is that OK with you, Lesley?

Mrs Hogg: Yes. That is fine, Chair.

The Chairperson (Mr McCrossan): OK, thank you. Alan, do you have any questions for Lesley?

Mr Chambers: Yes, Chair. I certainly want to be associated with your remarks about the Assembly staff. Your experience is my experience.

I want to ask about the simultaneous interpretation that is to be introduced in the Chamber. I am not sure whether Lesley can answer this, but what logistics are involved? We have heard about the number of interpreters who will be required. What will the logistics be, and how will those be addressed in the Chamber? Has the installation of interpretation services been costed yet, and, if so, what is the figure?

Mrs Hogg: A paper was prepared for the Committee on Procedures at the time. It anticipated that there would be a capital expenditure cost of approximately £43,000. That would include the upgrade of our translator booths, works on the Press Gallery and the Public Gallery, Member provision works, broadcasting works and a few other bits and pieces.

Mr Chambers: Thank you.

The Chairperson (Mr McCrossan): Lesley, thank you very much for being with us, for taking our questions and for the detailed submission that you provided. Again, pass on our sincerest appreciation to your team throughout the Assembly for the work that they do and the assistance that they provide to us all.

Mrs Hogg: Thank you very much, Chair. Those comments will be very much appreciated.

The Chairperson (Mr McCrossan): Thank you.