Review Body on Senior Salaries

REPORT No. 67

Northern Ireland Assembly: Review of Pay, Pensions and Allowances 2008

Chairman: Bill Cockburn, CBE, TD

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November 2008

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Foreword

Review Body on Senior Salaries

The Review Body on Top Salaries was appointed in May 1971 and renamed the Review Body on Senior Salaries (SSRB) in July 1993, with revised terms of reference. The terms of reference were revised again in 1998 as a consequence of the Government's Comprehensive Spending Review, in 2001 to allow the devolved bodies direct access to the Review Body's advice and in 2007 to add certain National Health Service (NHS) managers to the remit.

Value of our independent process

The SSRB consists of ten individuals from varying walks of life, including business, human resources and economics, and with public, voluntary and community, and private sector experience. It has independent status and is required to be politically impartial. Each member of the SSRB is recruited through an open process based on advertisement in the national press and overseen by the independent Office of the Commissioner for Public Appointments. The SSRB is supported by a secretariat based in the Office of Manpower Economics (OME), an independent Non-Departmental Public Body which does not report to Ministers.

In discharging our remit we insist on an open and transparent process to which stakeholders are invited to contribute. This combination of independent support, a range of professional experience and well-tried process allows us to study the evidence, receive views from all parties and consider all sides of any particular argument. As a result we can make balanced, evidence-based recommendations underpinned by sound rationale and taking into account all relevant factors and information.

The terms of reference of the Review Body on Senior Salaries

The terms of reference are:

> *The Review Body on Senior Salaries provides independent advice to the Prime Minister, the Lord Chancellor, the Secretary of State for Defence and the Secretary of State for Health on the remuneration of holders of judicial office; senior civil servants; senior officers of the armed forces; very senior managers in the NHS[1]; and other such public appointments as may from time to time be specified.*
>
> *The Review Body also advises the Prime Minister from time to time on the pay and pensions of Members of Parliament and their allowances; on Peers' allowances; and on the pay, pensions and allowances of Ministers and others whose pay is determined by the Ministerial and Other Salaries Act 1975. If asked to do so by the Presiding Officer and the First Minister of the Scottish Parliament jointly; or by the Speaker of the Northern Ireland Assembly; or by the Presiding Officer of the National Assembly for Wales; or by the Mayor of London and the Chair of the Greater London Assembly jointly; the Review Body also from time to time advises those bodies on the pay, pensions and allowances of their members and office holders.*

[1] NHS Very Senior Managers in England are chief executives, executive directors (except medical directors), and other senior managers with board level responsibility who report directly to the chief executive, in: Strategic Health Authorities; Special Health Authorities, Primary Care Trusts; and Ambulance Trusts.

In reaching its recommendations, the Review Body is to have regard to the following considerations:

the need to recruit, retain and motivate suitably able and qualified people to exercise their different responsibilities;

regional/local variations in labour markets and their effects on the recruitment and retention of staff;

Government policies for improving the public services including the requirement on departments to meet the output targets for the delivery of departmental services;

the funds available to departments as set out in the Government's departmental expenditure limits;

the Government's inflation target.

In making recommendations, the Review Body shall consider any factors that the Government and other witnesses may draw to its attention. In particular it shall have regard to:

differences in terms and conditions of employment between the public and private sector and between the remit groups, taking account of relative job security and the value of benefits in kind;

changes in national pay systems, including flexibility and the reward of success; and job weight in differentiating the remuneration of particular posts;

the need to maintain broad linkage between the remuneration of the three main remit groups, while allowing sufficient flexibility to take account of the circumstances of each group; and

the relevant legal obligations, including anti-discrimination legislation regarding age, gender, race, sexual orientation, religion and belief and disability.

The Review Body may make other recommendations as it sees fit:

to ensure that, as appropriate, the remuneration of the remit groups relates coherently to that of their subordinates, encourages efficiency and effectiveness, and takes account of the different management and organisational structures that may be in place from time to time;

to relate reward to performance where appropriate;

to maintain the confidence of those covered by the Review Body's remit that its recommendations have been properly and fairly determined; and

to ensure that the remuneration of those covered by the remit is consistent with the Government's equal opportunities policy.

The Review Body will take account of the evidence it receives about wider economic considerations and the affordability of its recommendations.

Members of the Review Body are:

Bill Cockburn, CBE, TD, *Chairman*[2]
Mark Baker, CBE
Mary Galbraith[2]
Professor David Greenaway
Mei Sim Lai, OBE, DL[2]
Mike Langley
Jim McKenna
Sir Peter North, CBE, QC
Richard Pearson[2]
Paul Williams[2]

The Secretariat is provided by the Office of Manpower Economics.

[2] Members of the Northern Ireland Sub-committee, chaired by Bill Cockburn

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Summary of Recommendations

Recommendation 1: We recommend that the indicative 'catch up' increases proposed for 2011 be conditional on an independent validation by a body such as the Review Body on Senior Salaries in 2010 to confirm that they are still appropriate in the light of developments since this report.

Recommendation 2: We recommend that the salary level of Members of the Legislative Assembly, currently set at £43,381, be increased from April 2008 by the increments set out in the following schedule:

Month and Year	Increment £
April 2008	500
April 2009	500
April 2010	500
April 2011 (indicative)	Balance to bring the salary to 75 per cent of the salary of Members of Parliament at Westminster.

Recommendation 3: We recommend that, from April 2008, the pay of Members of the Legislative Assembly be uprated by the same percentage increase as that applied to Members of Parliament at Westminster.

Recommendation 4: We recommend that the current office holder salaries of £71,898 for the First Minister and deputy First Minister, which are additional to their salaries as Members of the Legislative Assembly, be increased from April 2008 by the annual percentage increase applied to the office holder salary of a Cabinet Minister at Westminster and that the increments set out in the following schedule be applied:

Month and Year	Increment £
April 2008	800
April 2009	800
April 2010	800
April 2011 (indicative)	Balance to bring the salary to the same level as that of the office holder salary of a Cabinet Minister at Westminster.

Recommendation 5: We recommend that the office holder salaries for Assembly Ministers, currently set at £38,047, which are additional to their salaries as Members of the Legislative Assembly salaries, be increased from April 2008 by the annual percentage increase applied to the office holder salary of a Minister of State at Westminster and that the increments set out in the following schedule be applied:

Month and Year	Increment £
April 2008	300
April 2009	300
April 2010	300
April 2011 (indicative)	Balance to bring the office holder salary to the same level as that of the office holder salary of a Minister of State at Westminster.

Recommendation 6: We recommend that from April 2008:

- the salary for the office of Speaker be uprated each year by the annual percentage increase in the office holder salary of the Speaker at Westminster;

- the salary supplements for the offices of Deputy Speaker, Junior Minister, Committee Chair and Deputy Chair be increased from April 2008 in line with the percentage increase in the salaries of Members of the Legislative Assembly; and

- in addition, the following increments be applied:

Post	**Office holder salary at April 2007[1] £**	**'Catch up' increments**			
		April 2008	**April 2009**	**April 2010**	**April 2011 (indicative)**
Speaker	38,047	600	600	600	1,900
Deputy Speaker	8,554	100	100	100	400
Junior Minister	19,736	300	300	300	950
Committee Chair	11,405	150	150	150	550
Deputy Chair	5,704	75	75	75	275
Members of the Assembly Commission	11,405	150	150	150	550

[1] The office holder salary is paid in addition to the MLA salary.

***Recommendation 7*:** We recommend that, should authority be given for the role of Whip to be paid, the role be remunerated at the same rate as Committee Chairs for those not already in receipt of an office holder salary.

Recommendation 8: We recommend that the Assembly conduct a review before the start of the next Assembly of whether it remains appropriate for Members of the Legislative Assembly to hold office simultaneously as Members of Parliament at Westminster or councillors.

***Recommendation 9*:** We recommend that:

- the pay of Members of the Legislative Assembly continue to be recommended by an independent body such as the Review Body on Senior Salaries; and

- Members of the Legislative Assembly consider the option of committing themselves to accepting the outcome of the independent reviews of their pay without modification.

Recommendation 10: We recommend that the current arrangements for the pension scheme for Members of the Legislative Assembly and office holders be maintained.

Recommendation 11: We recommend that Members of the Legislative Assembly consider the option of committing themselves to accepting the outcome of the independent reviews of their pensions without modification.

Recommendation 12: We recommend that the term 'allowances' be replaced by the term 'expenses' and that this terminology also be reflected in the appropriate regulations. In detail we recommend that:

a. Office Costs Allowance be renamed Office Costs Expenditure;

b. Travel Allowance be renamed Travel Expenditure;

c. Disability Allowance be named Disability Grant;

d. Subsistence Allowance be renamed Subsistence Expenditure;

e. Temporary Secretarial Allowance be renamed Temporary Secretarial Expenditure;

f. Winding Up Allowance be renamed Winding Up Expenditure;

g. Staff Pensions and Redundancy Allowance be renamed Staff Pensions and Redundancy Expenditure; and

h. other expenditure be renamed as appropriate.

Recommendation 13: We recommend that the Assembly Commission produce guidance similar to the House of Commons Green Book on parliamentary salaries, allowances and pensions and make it publicly available.

Recommendation 14: We recommend that the expense claims of a random sample of 25 per cent of Members of the Legislative Assembly be audited on an annual basis.

Recommendation 15: We recommend that the Assembly Commission provide Members of the Legislative Assembly with guidance on the designation, management and deployment of voluntary workers to ensure compliance with minimum wage legislation.

Recommendation 16: We recommend that the Assembly Commission assess the space requirements for the office accommodation of Members of the Legislative Assembly and arrange for an independent assessment of rental charges before Members of the Legislative Assembly move to new premises or renew rental agreements.

Recommendation 17: We recommend that the Assembly Commission provide job descriptions and guideline paybands for the posts of staff employed by Members of the Legislative Assembly and that this guidance be published.

Recommendation 18: We recommend that the threshold after which the mileage allowance is reduced to 25 pence per mile be set at 10,000 miles, in line with Her Majesty's Revenue and Customs rates.

Recommendation 19: We recommend that the Resettlement Allowance be calculated at one month's salary for each year of service as a Member of the Legislative Assembly, up to a maximum of nine months' salary, and be paid only to Members of the Legislative Assembly who lose their seats at an Assembly election or whose seats have been abolished through constituency restructure, and that it be renamed Resettlement Payment. This recommendation should take effect from the start of the next Assembly.

Recommendation 20: We recommend that the Ill-health Retirement Allowance be renamed Ill-health Retirement Payment and be calculated in the same way as the Resettlement Payment.

Recommendation 21: We recommend that the Winding Up Allowance be renamed Winding Up Expenditure and that the limit be set and remain at a third of the Office Costs Allowance each time the level of the Office Costs Allowance is increased.

Recommendation 22: We recommend that Members of the Legislative Assembly who are also Members of Parliament at Westminster should be able to claim Office Costs Allowance only up to £35,000 if they already claim expenses as a Member of Parliament at Westminster and that the new arrangements should operate from the start of the next Assembly.

Recommendation 23: We recommend that Members of the Legislative Assembly who are also Members of Parliament at Westminster should be able to claim Winding Up Allowance only up to one third of the level of the abated Office Costs Allowance.

Recommendation 24: We recommend that the abated Office Costs Allowance for Members of the Legislative Assembly who are also Members of Parliament at Westminster be uprated each April in line with the Retail Price Index.

Recommendation 25: We recommend that:

- the expenses of Members of the Legislative Assembly continue to be recommended by an independent body such as the Review Body on Senior Salaries; and

- Members of the Legislative Assembly consider the option of committing themselves to accepting the outcome of the independent reviews of their expenses without modification.

Chapter 1

Introduction

1.1 In this introduction we consider our terms of reference, outline our approach in conducting reviews, and summarise the main elements of background.

Remit for the review

1.2 The Secretary of State for Northern Ireland wrote to the Chairman of the Review Body on Senior Salaries (SSRB) on 4 May 2007 seeking agreement to conduct the review – a copy of his letter can be found at Appendix A. This letter was followed by one from the Speaker of the Northern Ireland Assembly, on behalf of the Northern Ireland Assembly Commission, dated 14 June 2007, providing the authority to conduct the review – a copy is attached at Appendix B.

1.3 The Speaker asked us to look at specific areas of the overall remuneration package for Members of the Legislative Assembly (MLAs) and others, and to report to him. The areas in question are listed below:

"The Senior Salaries Review Body is asked to consider and make recommendations on the structure for pay, allowances and pensions in the Northern Ireland Assembly covering each of the following items:

- *the salary of elected Members;*
- *the salary of office holders including the Presiding Officer, Deputy Presiding Officers, members of the Assembly Commission, Chairpersons and Deputy Chairpersons of Committees (both Statutory and Standing Committees); and, if deemed appropriate, Party Business (Whips);*
- *the salary of members of the Executive Committee including the First and deputy First Ministers, other Ministers and Junior Ministers;*
- *the rate and structure of the Office Costs Allowance;*
- *the rate and structure of all other allowances (excluding Office Costs Allowance) payable to enable Members to carry out their duties effectively;*
- *the levels for the resettlement, ill-health retirement and winding up allowances currently payable to Members;*
- *the pension arrangements for Members of the Assembly and the Executive Committee;*
- *the current arrangements for annual uprating of salaries and allowances; and*
- *arrangements for abating the salaries of Members of the Assembly who are also MPs and/or MEPs."*

Approach to the present review

1.4 Our objective is to ensure that MLAs are suitably remunerated for the work they do and are able to draw on sufficient resource to carry out the role to which they have been elected, whilst at the same time ensuring the tax payer receives value for money. The Assembly is still developing and maturing, and public confidence is vital to this journey. As public money is involved, it is important that the tax payer is confident that the system is suitably transparent and provides value for money.

1.5 The SSRB carries out a significant part of its work through a structure of sub-committees, whose draft report and recommendations are then reviewed and agreed by the full Review Body. For this review we formed a sub-committee consisting of the Chairman and four members – those on the sub-committee are identified at the end of the Introduction and a short outline of our professional backgrounds can be found on the OME website.[1]

Evidence

Written

1.6 We place considerable importance on consulting and involving those we report on. We therefore wrote to all MLAs on two separate occasions to seek their views on pay and related matters. We received three written replies including a submission from the Speaker who responded on behalf of the Assembly Commision. The number of responses was significantly lower than we had hoped for, though we understand the concerns MLAs have about being seen to be involved in a process that determines their own salary. This said, we have sufficient depth and quality of evidence from other sources to underpin our recommendations.

Visits

1.7 We also visited Stormont in April 2008 and held a number of informal discussion groups with MLAs from across all the main parties, including one session with the Speaker and representatives of the Assembly Commission. We found these discussion groups most useful and we appreciated the substance, candour and good humour of all those we met. A list of those we met is at Appendix C.

Consultants

1.8 We also employed consultants, Hay Group (Hay), to look in detail at the roles of MLAs, Ministers and office holders in the Assembly to assess their respective job weights. This methodology is used widely in both the private and public sectors and measures the responsibility of a given role, not the level of workload. Job weights can be matched against others of similar weighting and their salaries compared. This type of evidence is useful in helping us reach our conclusions, although it is only one of the factors we consider, not a definitive indicator. Hay also looked at the pension arrangements and allowances available to Assembly Members. Their final report can be found on the OME website.[2]

1.9 Hay also assisted us with our last report on pay and allowances of the Northern Ireland Assembly[3] and advised us then on similar matters including job weights of MLAs, Ministers and office holders in the Assembly, and the appropriateness of allowance levels.

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[1] Review Body on Senior Salaries. *Members' biographies*. Available at: http://www.ome.uk.com/members_biographies.cfm.

[2] *Review of pay, pension scheme and allowances of the Northern Ireland Assembly*. Hay Group, 2008. Available at: http://www.ome.uk.com/downloads/Review%20of%20pay%20Pension%20Scheme%20and%20Allowances%20of%20the%20Northern%20Ireland%20Assembly%20-%20July%202008.pdf

[3] Review Body on Senior Salaries. *Northern Ireland Assembly:* review of pay and allowances. Report No 52. TSO, 2002. Available at: http://www.ome.uk.com/downloads/Senior%20Salaries%20NI.pdf

Reviews of parliamentary pay and allowances

1.10 We are asked, periodically, to review the pay, pensions and allowances for Members of the Westminster Parliament as well as other devolved legislative bodies within the UK.

1.11 Our last report on the pay, pensions and allowances of Westminster MPs[4] was published in January 2008 and historically our work in this area has provided useful background data and has helped to inform our reviews on other devolved bodies in the UK. The same applies this year and we have drawn on the recent Parliamentary review to broadly compare such issues as MLA responsibilities and the treatment of expenses.

Timing of this review

1.12 There is usually an independent review of devolved administrations every three to four years, with our last report on the Northern Ireland Assembly taking place in 2002. In normal circumstances we should have undertaken this work in 2006; however, the prolonged suspension of the NI Assembly in the earlier period delayed this review (see paragraphs 1.17-1.18 below). We heard views from some MLAs that it was still too early to conduct a definitive review as many roles were still developing in the wake of restoration. We accept that the institutions are still evolving and take account of this point in reaching our conclusions in subsequent chapters. We nonetheless feel that MLA pay has not been reviewed for a long time and to delay this review any longer would have been undesirable. Such delay would only increase the magnitude of any corrective changes.

Work programme

1.13 Our Sub-committee met on nine occasions during 2008: to visit Stormont, discuss evidence and prepare this report. Members of the SSRB outside the Sub-committee agreed with the report's conclusions prior to it being submitted to the Speaker of the Assembly and its subsequent consideration by Assembly members.

Background

Our remit group

1.14 The Northern Ireland Assembly consists of 108 elected representatives – six for each of the 18 existing Westminster constituencies in Northern Ireland. Their primary role is to scrutinise and make decisions on the issues dealt with by Departments of the Northern Ireland Executive[5] and to consider and make legislation. Of the 108 MLAs, 16 are also Members of Parliament, meaning that only two Northern Ireland MPs are not also MLAs; no MLA is currently a Member of the European Parliament. MLAs who also hold seats in Parliament are entitled to receive expenses from both Westminster and Stormont. They are not, however, entitled to two full salaries and those who receive a Westminster salary have their MLA salary abated by two thirds. (There are currently five Sinn Féin MPs who have not taken the oath and do not sit in the House. They therefore do not receive a Westminster salary, although they do receive expenses, and so they receive their full pay as MLAs.) In addition, 46 MLAs also hold office in the Assembly for which they are remunerated. Approximately two-thirds of MLAs are also councillors. Therefore, out of the 108 MLAs only 17 receive a basic MLA salary, with the remainder attracting additional remuneration through their work as MPs, councillors or office holders at Stormont. A list of MLAs can be found at Appendix D.

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[4] Review Body on Senior Salaries. *Review of parliamentary pay, pensions and allowances*. Report No 64. Cm 7270. TSO, 2007. Available at: http://www.ome.uk.com/downloads/Review%20of%20Parliamentary%20pay%202007%20volume%201.pdf.pdf

[5] The Executive performs a role similar to the one provided by cabinets in other legislatures. Its primary purpose is to formulate government policy on devolved matters in Northern Ireland. It has responsibility to forward legislation to the Assembly, to provide direction for the Assembly as a whole by formulating a Programme for Government, and to agree on how this programme should be funded via an annual Budget.
Source: http://www.niassembly.gov.uk/io/research/factsheets/govseries05.pdf

1.15 We understand that the NI Executive has agreed to reduce the number of local authorities in Northern Ireland from 26 to 11 by 2011, with consequent reductions in the number of councillors. This is likely to increase the load on councillors, and may bring into further question the viability of acting as a councillor and an MLA at the same time.

Our previous reports on pay and expenses for the Northern Ireland Assembly

1.16 Our 42nd Report[6], published in March 1999, was the first to make recommendations on pay for the devolved bodies of Scotland, Northern Ireland and Wales. Our second and most recent report on the pay, pensions and allowances of MLAs was published in 2002 and is available on our website[7]. A list of the recommendations in that report is reproduced at Appendix E, which also indicates which ones were accepted by the Assembly.

Recent developments

1.17 After the publication of our last report, the Northern Ireland Assembly was suspended in October 2002 and then formally dissolved in April 2003, pending fresh elections which were held in November 2003. Following the election, the Democratic Unionist Party (DUP) was the largest party, followed by Sinn Féin, the Ulster Unionist Party (UUP) and the Social Democratic and Labour Party (SDLP). There was a further suspension of the Assembly after the election, and from January 2004 the political parties were engaged in a review of the Belfast Agreement with the aim of restoring the devolved institutions.

1.18 The St Andrews Agreement of October 2006 put in place a timetable to restore devolution in Northern Ireland and set 7 March 2007 as the date for a new election. The election did not substantially change the balance of the parties in the Assembly. On 26 March 2007, the DUP and Sinn Féin reached agreement on the formation of an Executive Committee and devolved powers were duly restored on 8 May 2007.

Assembly responsibilities

1.19 There has been no significant change in the responsibilities devolved to the Assembly since our last report although the number of committees has increased with the addition of the Assembly and Executive Review Committee. At some point in the future responsibility for policing and justice may be devolved to the Assembly and this would have implications for Ministers and committee structures.

1.20 We have heard of intentions to reduce at some point the number of MLAs, though there are no plans to do so within the current mandate which runs to 2011.

Political context

1.21 At the time of submitting this report, the restored Assembly and Executive have been operating for over a year. The fact that the institutions have previously experienced several, sometimes lengthy, suspensions during their relatively short lifetime has undoubtedly made it difficult both for the institutions themselves and for the individuals who comprise them to settle fully into their roles. Those we spoke to differed in their views on the extent to which this was now being achieved, but all acknowledged progress to date and welcomed the prospect of a period of greater stability and predictability. The institutions will continue to evolve, but this is now likely to be in a more organic and incremental manner.

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[6] Review Body on Senior Salaries. *Initial pay, allowances, pensions and severance arrangements for Members of the Scottish Parliament, National Assembly for Wales, Northern Ireland Assembly.* Report No 42. Cm 4188. The Stationery Office, 1999.

[7] Review Body on Senior Salaries. *Northern Ireland Assembly: review of pay and allowances*. Report No 52. TSO, 2002. Available at: http://www.ome.uk.com/downloads/Senior%20Salaries%20NI.pdf

The Review Body on Senior Salaries' 2007 report on Parliamentary pay, pensions and allowances

1.22 Our last report on Parliamentary pay[8], concluded in July 2007, was published by the Government in January 2008 and we note areas of commonality between that review and our current review of MLA pay, namely:

- increasing media scrutiny of pay and expenditure by political representation;
- a desire on the part of political representatives for a clearer public understanding of their need to incur certain expenses in order to carry out their duties; and
- a general discomfort amongst Parliamentarians and Assembly Members with the concept of voting on their own pay arrangements;

1.23 We reaffirm the opinion set out in the Parliamentary report that there is a balance to be struck here, and we summarise our views as follows:

Pay should be neither so low as to deter suitable candidates nor so high as to be the primary attraction of the job. Expenses are not additional remuneration but expenditure properly incurred in carrying out a Member's functions. Since this is public money there must be transparency and accountability in its use. It is right for the press and public to hold their representatives to account but without this becoming an exercise in triviality.

We aim to strike this balance in our following recommendations.

[8] Review Body on Senior Salaries. *Review of parliamentary pay, pensions and allowances*. Report No 64. Cm 7270. TSO, 2007. Available at: http://www.ome.uk.com/downloads/Review%20of%20Parliamentary%20pay%202007%20volume%201.pdf.pdf

Chapter 2

Pay of Members of the Legislative Assembly and office holders

Introduction

2.1 When we first considered the pay of Members of the Legislative Assembly (MLAs) in 1999[9], we recommended that pay should be set at £37,000. At the time this equated to around 82 per cent of the salary of a Member of Parliament (MP) at Westminster. When we next reviewed MLA salaries in 2002[10], we found that there had been some slippage relative to MPs (to 78 per cent) and we recommended a salary of £45,250 to restore the original percentage. This recommendation was not accepted. Between 2002 and the date of this review there have been further movements in salary[11]. The current salary level of £43,381 represents about 70 per cent of the salary level of an MP.

Review of pay: General comments

2.2 In reviewing the pay levels of Ministers, office holders and MLAs we have taken evidence from some of those affected and from our consultants, the Hay Group (Hay), who have conducted a number of feedback sessions and undertaken job evaluation. We have also considered previous reviews of the pay and allowances arrangements of legislatures in Northern Ireland, Scotland, Wales and Westminster. In making our recommendations we have also had regard to affordability and the fact that the present Assembly has been operating for a little more than a year and is in its early development stage. Based on our analyses and consideration of the various opinions expressed to us, we are persuaded that pay levels have generally fallen behind their benchmark levels and that 'catch up' arrangements should be made in addition to the normal annual uplifts.

Evidence on pay levels

2.3 During oral evidence sessions we heard mixed views from MLAs about the level of their pay. While they were aware that their pay relative to Westminster had declined, some felt they were sufficiently remunerated given current responsibilities. Others, however, argued that MLA responsibilities were becoming more complex and that the burden of primary legislation was increasing, although we note that some of this increased workload derives from a backlog from the period of suspension rather than a permanent increase in legislative activity. We also heard concerns that candidates were not coming from a wide range of backgrounds, and speculation that pay levels might be a deterrent for some. Some MLAs felt that, if their pay were to be set as a percentage of a Westminster MP's salary, the percentage should be in line with the positions in the Scottish and Welsh legislatures.

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[9] Review Body on Senior Salaries. *Initial pay, allowances, pensions and severance arrangements for Members of the Scottish Parliament, National Assembly for Wales, Northern Ireland Assembly*. Report No 42. Cm 4188. The Stationery Office, 1999.

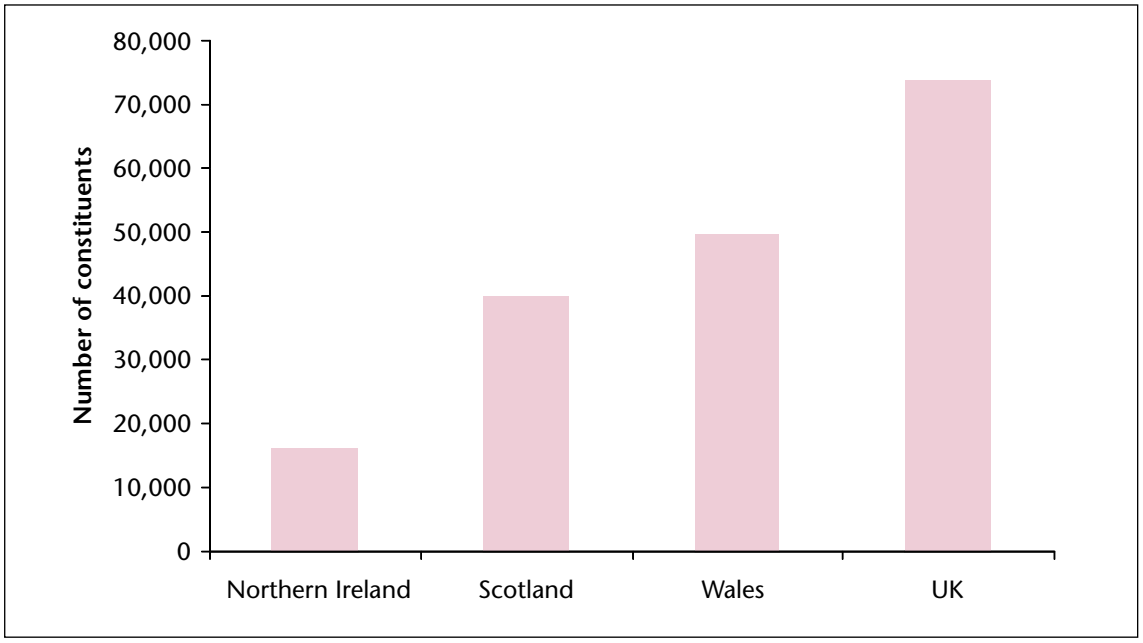
[10] Review Body on Senior Salaries. *Northern Ireland Assembly: review of pay and allowances*. Report No 52. TSO, 2002. Available at: http://www.ome.uk.com/downloads/Senior%20Salaries%20NI.pdf

[11] When the Northern Ireland Assembly was suspended in October 2002, the Secretary of State for Northern Ireland reduced Members' salaries from £41,321 to £31,817 for the period of suspension. On restoration of the Assembly in 2007, salaries were set at £43,101, the 2006 uprating (£41,321 uprated by the current uprating mechanism linked to movements in the mid-points of the Northern Ireland Senior Civil Service pay bands for the intervening period). The annual salary rose to £43,381 from April 2007 (an increase of 0.65 per cent) in line with the uprating mechanism and is applicable for the period May 2007 to March 2008, though the increase has yet to be implemented.

2.4 As mentioned in the previous chapter, we employed Hay to undertake a job evaluation of MLA roles. When they assisted us in our last review of MLA pay and allowances, they placed the MLA role on a level with a member of the Scottish Parliament (MSP) and at a higher level than a member for the National Assembly for Wales (AM), principally because an MLA's role included responsibility for primary legislation as in Scotland. In their job evaluation for the present review, Hay revised downwards their assessment of the weight of primary legislation, noting that MLAs' current legislative powers were "relatively restricted and not being used to the full".

2.5 As part of our consideration of the evidence we looked at the level of representation in the different UK legislatures. As can be seen in figure 2.1, Northern Ireland has the lowest ratio of constituents to elected representative of the legislatures at just over 16,000 constituents per MLA compared with 40,000 constituents in Scotland per MSP, 50,000 constituents in Wales per AM, and 74,000 constituents in the United Kingdom per Westminster MP[12].

Figure 2.1: **Number of constituents per elected representative**



Sources: Office for National Statistics, Mid-2007 population estimates for UK, England and Wales, Scotland and Northern Ireland.

2.6 For both these reasons, Hay concluded that the MLA role was less heavily weighted than when last evaluated and was about 75 per cent of the size of an MP's role.

Recruitment, retention and morale

2.7 It is important that any institution or organisation is able to recruit and retain suitable individuals with the right skills and experience necessary to undertake the duties expected of the role. We are conscious, however, that the motivation for entering public life is not strictly comparable with that for many other jobs and that the role of MLA has aspects which can be considered vocational in character. As such, the issues surrounding recruitment and retention for MLAs do not apply in the same way as in the private sector and most of the public sector. Nevertheless, we are mindful that reward may have an impact on the number and quality of candidates.

[12] By way of comparison, the ratio for the Irish Parliament is one member of Dáil Éireann (TD) to around 24,000 constituents.

2.8 We received no evidence to suggest that there was any problem with recruitment and retention of MLAs, although some doubt was expressed about the limited range of backgrounds from which candidates are standing for election. Similarly there was no evidence to suggest that the morale of MLAs was low or the calibre of individuals substandard.

2.9 We have reached definitive conclusions about the pay position of the First Minister, deputy First Minister, Assembly Ministers and MLAs. However, while accepting that the pay of the other office holders has also fallen behind and needs upward adjustment, we are less sure at this stage of the Assembly's evolution as to the precise levels justified, going forward. We expect that the roles of a number of the office holders will evolve as the Assembly process matures.

2.10 With an eye to affordability and sensitivity to the views of many MLAs who are deeply concerned about the likely public reaction to Assembly pay increases, we have proposed that all of our 'catch up' pay recommendations be phased over four years, with around half of the increase awarded in three equal annual increments and the remainder proposed as an indicative increase in the fourth year, that is, the first year of the next Assembly. However, in view of current uncertainties we recommend that the indicative 'catch up' increases be subject to independent validation in 2010 to confirm that they are still appropriate in the light of developments. Some MLAs took the view that it is too early to make any adjustments and that any 'catch up' increases should be postponed to the next Assembly. While recognising the need for caution in the pace of pay correction in order to establish a track record of achievement and build public confidence, we do not agree to such wholesale delay and believe our proposals are a fair balance between the interests of the community and those of MLAs, Ministers and other office holders.

Recommendation 1: We recommend that the indicative 'catch up' increases proposed for 2011 be conditional on an independent validation by a body such as the Review Body on Senior Salaries in 2010 to confirm that they are still appropriate in the light of developments since this report.

Level of salaries of Members of the Legislative Assembly

2.11 At present the MLA salary is £43,381 as at April 2007. We are persuaded by the evidence that MLA pay should be targeted at 75 per cent of Westminster MPs' salaries, a reduction from the 82 per cent relationship agreed previously, but an increase on the present level of 70 per cent. This currently represents a pay gap of about £3,000. In accordance with the four year phasing approach described in paragraph 2.10, we recommend annual increments to the MLA salary of £500 in April 2008, £500 in April 2009 and £500 in April 2010 with the balance paid in 2011, subject to a review in 2010, to bring the MLA salary to 75 per cent of an MP's salary.

Recommendation 2: We recommend that the salary level of Members of the Legislative Assembly, currently set at £43,381, be increased from April 2008 by the increments set out in the following schedule:

Month and Year	Increment £
April 2008	500
April 2009	500
April 2010	500
April 2011 (indicative)	Balance to bring the salary to 75 per cent of the salary of Members of Parliament at Westminster.

Uprating of salaries of Members of the Legislative Assembly

General uprating mechanism

2.12 The Speaker asked us to look at the current uprating mechanism for MLA salaries. Assembly salaries are uprated in line with the average of the movements in the mid-points of the Northern Ireland Senior Civil Service pay bands, analogous to the mechanism used until recently by Westminster. However, significant changes in the operation of this pay and performance system, including the increasing use of non-consolidated bonus payments, mean that while earnings and take home pay generally increase, there is almost no movement in the mid-points of the pay bands. The mechanism is no longer appropriate for a pay structure, such as that for MLAs, that does not include performance-related salary increases and bonuses. Therefore an alternative uprating mechanism is required for MLAs' pay.

2.13 In our discussions with MLAs we heard a number of suggestions for appropriate mechanisms, including a fixed link to Westminster and the application of an inflation or earnings index. MLAs were, however, nervous about any mechanism that might produce unacceptably large increases. They were also keen to have an uprating mechanism that removed the need to vote on their own salaries.

2.14 Hay identified a number of options[13]:

- a fixed linkage to the salary of a Westminster MP;
- use of a comparator of equal job weight in a number of organisations across various sectors in Northern Ireland; and
- linkage to the pay of a comparator in the Northern Ireland Civil Service.

2.15 The second and third options above would be more complicated than the first, and are vulnerable to definitional changes. They would also disrupt the 75 per cent relationship described in paragraph 2.11. We conclude that a link to Westminster is the most appropriate solution, i.e. MLAs' pay should be uplifted by the same percentage rate as that of MPs. The right time to consider the impact of any structural changes on the relativities between the two pay systems is at the next formal review.

[13] *Review of pay, pension scheme and allowances of the Northern Ireland Assembly*. Hay Group, 2008. Pages 20-22. Available at: http://www.ome.uk.com/downloads/Review%20of%20pay%20Pension%20Scheme%20and%20Allowances%20of%20the%20Northern%20Ireland%20Assembly%20-%20July%202008.pdf

2.16 Recently, MPs have voted to link their pay to an index of public sector settlements. This should therefore also apply in future to MLA pay. For the avoidance of doubt, the mechanism we propose for the next three years is for the MLA salary to be increased with effect from 1 April by the same percentage as the increase in MPs' salaries. The relevant increment as set out in paragraph 2.11 would then be added to that figure. Thus the MLA salary with effect from 1 April 2008 should be:

£43,381 (current salary) + 2.38% (MPs' increase) + £500 = £44,913.

Salary increases for office holders should be calculated similarly.

Recommendation 3: We recommend that, from April 2008, the pay of Members of the Legislative Assembly be uprated by the same percentage increase as that applied to Members of Parliament at Westminster.

Salary of Ministers and office holders

2.17 There are nine categories of office holder within the Northern Ireland Assembly ranging from First and deputy First Ministers through to Deputy Chairs – a list of these offices along with their respective salaries can be found at Appendix F. The Speaker's letter of 14 June 2007 asked us to consider the levels of pay for these posts. The Speaker also asked us to consider if the post of Whip, currently unpaid, should receive some form of remuneration.

2.18 Hay's report[14] provides detailed comment on the offices of Ministers and office holders. We have considered their views along with other evidence available to us and summarise below our views and recommendations. In considering our recommendations on the pay of Ministers and office holders, we note that their salaries are currently lower than salaries paid to jobholders in the public and private sector with roles of a similar weight (as evaluated by Hay).

First and deputy First Ministers

2.19 In our first report on Northern Ireland pay[15] we recommended that the salary for the office of First Minister be equivalent to the office holder salary of a Cabinet Minister at Westminster and that the deputy First Minister be positioned between the First and other Ministers in the Assembly. The Secretary of State decided at the time that both offices should receive the same level of pay since they represented a joint responsibility, and we concurred in our 2002 report[16].

2.20 Hay found that the two offices were relatively similar and that their job weights had not changed since the last review in 2002: the posts continued to be equivalent to that of a Westminster Cabinet Minister. Other evidence we received was consistent with this view. We therefore reaffirm our previous conclusions that the salary for both posts should be aligned to that of a Westminster Cabinet Minister. Currently the office holder salary of the First Minister and deputy First Minister at April 2007 is £71,898. The pay gap between these salaries and the office holder salary of a Cabinet Minister at Westminster is £5,006. It should be understood that this gap exists in large part because no increases have been awarded since suspension while increases have been applied during this time to the post of Cabinet

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[14] *Review of pay, pension scheme and allowances of the Northern Ireland Assembly*. Hay Group, 2008. Pages 11–16 and 23–24. Available at: http://www.ome.uk.com/downloads/Review%20of%20pay%20Pension%20Scheme%20 and%20 Allowances%20of%20the%20Northern%20Ireland%20Assembly%20-%20July%202008.pdf

[15] *Review Body on Senior Salaries. Devolution: salaries for Ministers and Office-holders and office support for Members. Parliamentary Development Recommendations*. Report No 43. Cm 4246. The Stationery Office, 1999.

[16] Review Body on Senior Salaries. *Northern Ireland Assembly: review of pay and allowances*. Report No 52. TSO, 2002. Available at: http://www.ome.uk.com/downloads/Senior%20Salaries%20NI.pdf

Minister at Westminster. In line with the proposed phasing approach described in paragraph 2.10, we recommend annual increments to the office holder salaries of the First Minister and deputy First Minister of £800 in April 2008, £800 in April 2009 and £800 in April 2010, with the balance paid in 2011 subject to a review in 2010, to bring the office holder salary to the same level as that of a Cabinet Minister. (The total salaries of the First and deputy First Ministers will nevertheless be lower than that of Westminster Cabinet Ministers because the MLA component is lower than the MPs' salary.)

2.21 We further recommend that the office holder salaries of the First Minister and deputy First Minister be uprated by the annual percentage increase of the office holder salary of Cabinet Minister commencing April 2008[17].

Recommendation 4: We recommend that the current office holder salaries of £71,898 for the First Minister and deputy First Minister, which are additional to their salaries as Members of the Legislative Assembly, be increased from April 2008 by the annual percentage increase applied to the office holder salary of a Cabinet Minister at Westminster and that the increments set out in the following schedule be applied:

Month and Year	Increment £
April 2008	800
April 2009	800
April 2010	800
April 2011 (indicative)	Balance to bring the salary to the same level as that of the office holder salary of a Cabinet Minister at Westminster.

Assembly Ministers

2.22 There are ten Ministers within the Assembly. As in Westminster, each office varies in job weight depending on the size and workload of its respective department. We have not been asked to differentiate between the sizes of Ministerial posts for the purposes of setting their pay and will therefore treat them as one cadre, as we do for our Parliamentary reviews. In our previous reports we were unable to evaluate the office of Assembly Minister and aligned the post, for pay purposes, to that of a Minister of State in the House of Commons. For this review, Hay found that the average job weight for an Assembly Minister was indeed equivalent to that of a Westminster Minister of State and this was confirmed by other evidence sources. We affirm our previous conclusions that the salaries should be aligned with those of Westminster Ministers of State. Currently the office holder salary of an Assembly Minister at April 2007 is £38,047. The pay gap is £1,846 and we recommend annual increments to the office holder salaries of Assembly Ministers of £300 in April 2008, £300 in April 2009 and £300 in April 2010 with the balance paid in 2011 subject to a review in 2010, to bring the office holder salaries to the same level as that of Westminster Ministers of State.

2.23 We further recommend that the office holder salaries of Assembly Ministers be uprated by the annual percentage increase of the office holder salaries of Westminster Ministers of State, commencing April 2008.

[17] The UK Government has announced that Ministers will forego an increase to the Ministerial element of their salaries in 2008.

Recommendation 5: We recommend that the office holder salaries for Assembly Ministers, currently set at £38,047 which are additional to their salaries as Members of the Legislative Assembly, be increased from April 2008 by the annual percentage increase applied to the office holder salary of a Minister of State at Westminster and that the increments set out in the following schedule be applied:

Month and Year	Increment £
April 2008	300
April 2009	300
April 2010	300
April 2011 (indicative)	Balance to bring the office holder salary to the same level as that of the office holder salary of a Minister of State at Westminster.

Junior Ministers

2.24 There are two Junior Ministers at Stormont. In our 1999 report we recommended that the pay of Junior Ministers should be set at just over half of that paid to Assembly Ministers and saw no reason to change this recommendation when we looked again at Junior Ministers' pay for our 2002 report. However, the job weight for the two Junior Ministers has increased since then. Hay found that the job title was misleading as the office provides a crucial link between the First and deputy First Ministers, is central to developing and executing the Executive's programme, and facilitates communication across departments. Hay assessed the job weight for this office as being similar to that of a Parliamentary Under-Secretary of State (PUSS) at Westminster.

2.25 There is no similar ministerial role at Westminster and there is some uncertainty as to how the roles will change as the Assembly develops over the coming years. We are not convinced at this stage that linkage to the Westminster PUSS, as suggested by Hay, is appropriate and it is important to monitor developments over the next three years. Our salary proposals are set out at paragraph 2.34. We think that the office holder salary of Junior Minister should increase in three equal increments of £300. We also believe that a further increase of £950 could be due in 2011 but this should be verified in 2010.

Speaker (Presiding Officer)

2.26 The current rate of pay for the Speaker (also referred to as the Presiding Officer) is the same as that of Assembly Ministers.

2.27 We appreciate the unique character of the office of Speaker and the importance the Speaker plays in ensuring the work of the Commission and the Assembly runs smoothly. We feel the responsibilities are wider than at Ministerial level in the Assembly. Hay also noted that the office was critical to the working of the Assembly: "The role's importance is much more than chairing the Assembly. It also plays a crucial part in deciding Assembly business." They observed that the duties were akin to those of the Westminster Speaker and Leader of the House combined (although much smaller in scale). We note that Hay's job evaluation process placed the post in between that of First/deputy First Minister and an Assembly Minister[18]. However, again there is some uncertainty as to how the post will develop in the future and we think it is appropriate to monitor developments. We make our salary recommendations at paragraph 2.34. We think that the office holder salary of the post of Speaker should increase in three equal increments of £600. We also believe

[18] *Review of pay, pension scheme and allowances of the Northern Ireland Assembly*. Hay Group, 2008. Page 17. Available at: http://www.ome.uk.com/downloads/Review%20of%20pay%20Pension%20Scheme%20and%20Allowances%20of%20the%20Northern%20Ireland%20Assembly%20-%20July%202008.pdf

that a further increase of £1,900 could be due in 2011 but this too should be verified in 2010.

Deputy Speakers (Deputy Presiding Officers)

2.28 There are three Deputy Speakers (also known as Deputy Presiding Officers) and each receives a sum of £8,499 per annum in addition to their MLA salary for their additional responsibilities. The office exists to provide cover in chairing the Assembly in the absence of the Speaker but does not carry the Speaker's wider responsibilities, such as deciding the business of the Assembly. The Deputy Speakers also undertake representational duties on behalf of the Speaker. In our 2002 report we had some doubts as to whether the role was clearly larger than an MLA's. Hay reports that the role is similar to that of a Committee Chair. However, we are not convinced but we do expect the role to develop in time. We make our salary recommendations at paragraph 2.34. We think that their office holder salary should increase in three equal increments of £100. We also believe that a further increase of £400 could be due in 2011 but again this is for verification in 2010.

Statutory Committee Chair and Deputy Chair

2.29 There are 11 Departmental (statutory) Chairs. Our 1999 report recognised that the post of Committee Chair might warrant pay in recognition of its additional responsibilities. The Assembly subsequently assessed the post and decided that it should receive a payment of £10,599, which equated to the office holders' salary paid to members of the Assembly Commission. We looked again at the office in 2002 and agreed with the Assembly's assessment. In addition we judged that the Chairs of two of the Standing Committees, the Public Accounts Committee and the Committee of the Centre (the latter is now known as the Committee for the Office of the First Minister and deputy First Minister), should be paid at the same rate as the Departmental Chairs.

2.30 Hay found that Committee Chairs experience a significant level of responsibility above that of MLAs. The post calls for political awareness in trying to gain consensus from all political parties and has a degree of accountability in determining some areas of policy for Northern Ireland. Hay assessed the post as being equivalent to a Westminster MP. We think it is premature to firm up on this proposal for all the uncertainties mentioned earlier. We make our recommendations on salary at paragraph 2.34. We think that the pay of the office of Committee Chair should increase in three equal increments of £150. We also believe that a further increase of £550 would be due in 2011 but this is also for verification in 2010.

2.31 In our last report we had some reservations about the office of Deputy Chair. Hay found in their report for that review that Deputy Chairs had limited responsibility in the direction and determination of committee work. However MLAs did not wish to see any changes made to the salary and we suggested then that the roles and responsibilities of the post should be more clearly defined before any increase in salary took place. In the meantime, Deputy Chairs would continue to receive an office holder's salary. This salary currently stands at £5,704, around half the salary for the office of Committee Chair.

2.32 In their latest report, Hay reported that the committee responsibilities of a Deputy Chair require skills beyond those required in the MLA role and evaluated its job weight as being one step higher than an MLA, but not as high as a Westminster MP. Hay concluded that a salary was justified for the post of Deputy Chair. We agree with this and our salary recommendations are at paragraph 2.34. We think that pay for the post of Deputy Chair should increase in three equal increments of £75. We also believe that a further increase of £275 could be due in 2011 following the validation of pay we recommend for 2010.

Members of the Assembly Commission

2.33 There are five members of the Assembly Commission (excluding the Speaker, who chairs the Commission), and all receive the same level of remuneration as Committee Chairs.

The post of Member of the Assembly Commission calls for a high level of political and analytical awareness and Hay's assessment of the role suggests that it is still akin to that of a Committee Chair. We see no reason to change this arrangement at present. We therefore recommend that the salary of the office of Member of the Assembly Commission be increased by the same amount as the post of Committee Chair. That is, their pay should increase in three equal increments of £150 with a further increase of £550 in 2011 following the validation in 2010.

Uprating of office holders' salaries

2.34 In addition to our recommendations on the uprating mechanism for the First Minister, deputy First Minister and Assembly Ministers, we further recommend that the salary of the office of Assembly Speaker be uprated each year by the annual percentage increase in the office holder salary of the Speaker at Westminster (i.e. that element of the Speaker's salary which is additional to his salary as an MP), commencing April 2008. We also recommend that the salaries of Deputy Speaker, Junior Minister, Committee Chair and Deputy Chair be uprated in line with the percentage increase in MLA salaries from April 2008.

Recommendation 6: We recommend that from April 2008:

- the salary for the office of Speaker be uprated each year by the annual percentage increase in the office holder salary of the Speaker at Westminster;
- the salary supplements for the offices of Deputy Speaker, Junior Minister, Committee Chair and Deputy Chair be increased from April 2008 in line with the percentage increase in the salaries of Members of the Legislative Assembly; and
- in addition, the following increments be applied:

		'Catch up' increments			
Post	**Office holder salary at April 2007[1] £**	**April 2008**	**April 2009**	**April 20010**	**April 2011 (indicative)**
Speaker	38,047	600	600	600	1,900
Deputy Speaker	8,554	100	100	100	400
Junior Minister	19,736	300	300	300	950
Committee Chair	11,405	150	150	150	550
Deputy Chair	5,704	75	75	75	275
Members of the Assembly Commission	11,405	150	150	150	550

[1] The office holder salary is paid in addition to the MLA salary.

Whips (Party Business Managers)

2.35 The Speaker's terms and reference for this review asked us to make a recommendation on remuneration for Whips, if it was deemed appropriate, as they are not currently paid for the role. However, we note that the role of Whip involves party political activity as well as assembly business and, as we said in our 2002 report, it is a matter for the Assembly to decide if the role should attract an office holder salary. That said we should be happy to price the role if asked to do so.

2.36 We note from Hay's report that the role has grown in importance since 2002 and that an experienced political touch is required in the post. If the Assembly were to decide that Whips should receive remuneration for their role, we would agree with Hay's conclusion that they should receive an additional sum equivalent to that received by Committee Chairs if they are not already office holders. This should apply only to the Whips of parties with a significant numbers of MLAs and we suggest that this should be at least 12 elected members. We reiterate, however, that the decision on whether a role with a significant political element should be paid as a public office holder must be for the Assembly itself to take. We note in this context that at Westminster only the Official Opposition's Whips are paid an additional salary from public funds.

Recommendation 7: We recommend that, should authority be given for the role of Whip to be paid, the role be remunerated at the same rate as Committee Chairs for those not already in receipt of an office holder salary.

Abatement of pay for Members of the Legislative Assembly in receipt of remuneration as Members of Parliament at Westminster

2.37 MPs who are members of other legislatures receive their full Westminster salary and an abated salary of one third of their other salary (which is pensionable). We were asked by the Speaker to consider the current arrangements for abating the salaries of Members of the Assembly who are also MPs and/or Members of the European Parliament (MEPs). There are currently 16 MLAs who are also MPs and of these, 7 MLAs are also councillors. However, no MLA is an MEP.

2.38 There is only one other MP, an MSP, with dual roles[19]; there are no Welsh Assembly Members who are also MPs. Eleven MLAs receive their full salary as an MP and an abated salary of one third for their MLA role (£14,460) which is pensionable. As noted in paragraph 1.14, the Sinn Féin MPs do not receive a Westminster salary and so they receive their full pay as MLAs.

2.39 We heard mixed views from MLAs. Some thought that the current level of one third of salary should be retained; others suggested that MLAs who are also MPs should receive only the higher of the two salaries, and some felt that MLAs should simply not be permitted to serve concurrently as MPs. There was some consensus that the practice of dual MP/MLA mandates would stop in time, but not during the current mandate.

2.40 Hay reported that it was very unusual to find individuals in the private and public sectors at equivalent salary levels to MLAs and MPs carrying out more than one full time job. In addition, they saw no evidence to suggest that there is twice the amount of constituency work generated and found difficulty in justifying payment of an extra salary. They therefore concluded that MLAs with MP roles should not receive two salaries for representing the same constituency.

2.41 We find Hay's arguments and conclusions compelling. Each of the roles of MLA and MP is an important commitment in its own right, and instances of individuals filling both roles are rare in other devolved legislatures. As discussed in paragraph 2.44 below, we believe it is timely for the Assembly to conduct a thorough review of this issue. Pending the outcome of that review, the abated salary for MLAs who are also MPs should remain at one third.

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[19] *Parliamentary information list: dual mandate MPs*. Standard Note SN/PC/04101. House of Commons Library, 2008. Available at: http://www.parliament.uk/commons/lib/research/notes/snpc-04101.pdf

Members of the Legislative Assembly with councillor roles

2.42 We also considered MLAs who are simultaneously councillors. As noted in paragraph 1.14, around two-thirds of MLAs are councillors and they are eligible to receive a flat rate basic allowance of £9,500 plus a Special Responsibility Allowance, dependent on the size of the population covered by the council for their councillor role[20]. They are also entitled to receive office holder allowances (e.g. as mayor), dependants carers' allowance and travelling and subsistence allowances. All of these allowances, with the exception, in certain circumstances, of subsistence allowance when travelling, are taxable.

2.43 The same arguments as for MLAs who are also MPs can be applied to MLAs who are councillors: most are similarly representing the same constituents. In addition, we are aware that the Stormont Executive has agreed a plan to reduce the number of Northern Ireland's local authorities from 26 to 11 by 2011 (the same year as the expiry of the Assembly's current mandate). While it is too early to assess the impact on councillor workload, it is likely that the job will change and could increase in size.

2.44 It is not for us to determine the political acceptability of individuals holding two or more concurrent mandates at Parliamentary, NI Assembly or local council levels, nor could we currently determine a rational and defensible set of relationships between the various pay and expenses regimes, since our remit concerns only MLA remuneration. We do, however, believe that as the responsibilities of MLAs grow, it will become increasingly difficult for MLAs to fulfil the responsibilities of more than one public role. A thorough review is required before the end of the present mandate so that MLAs can make plans on a clearer basis and we heard that the Assembly and Executive Review Committee plans to begin an inquiry into multiple mandates. We therefore recommend that the Assembly examine before the start of the next Assembly whether it remains appropriate that MLAs should also be permitted to hold office simultaneously as MPs or councillors.

Recommendation 8: We recommend that the Assembly conduct a review before the start of the next Assembly of whether it remains appropriate for Members of the Legislative Assembly to hold office simultaneously as Members of Parliament at Westminster or councillors.

Setting pay levels

2.45 As noted above, in our discussions with MLAs, many Members told us that they should not vote on their own pay levels and suggested that their pay should be set by an independent body. We heard similar views expressed by MPs when we conducted our review of parliamentary pay, pensions and allowances. Although we made no firm recommendations in our 2007 parliamentary report on this issue, we saw value in an independent mechanism to apply and we suggested that the issue should be considered further and debated. Subsequently, the UK Parliament passed responsibility for future determination of MPs' pay (but not Ministers' pay) to us, the SSRB.

2.46 We agree with MLAs that appropriate levels of pay should be recommended by an independent body such as the SSRB, which has just been mandated to fulfil this role for MPs at Westminster. We also agree on the desirability of avoiding annual votes on pay: the consequence of the recommendations in this chapter is that pay for MLAs and office holders will remain linked to transparent and publicly accountable benchmarks without the need for MLAs to vote on their pay in between reviews.

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[20] *Guidance on councillors' allowances*. Department of the Environment, 2007. Available at: http://www.doeni.gov.uk/councillors_allowances_-_guidance.pdf

2.47 We believe, however, that there is no means whereby the need for voting can be removed completely from the process. Even if appropriate uplifts are identified through periodic reviews by an independent body like SSRB, the Assembly remains a sovereign body within its own fields of action and it retains ultimate accountability to its electorate. The only possible option, as we suggest for Westminster[21], is for the Assembly to pass a resolution, rescindable at will, that it will in future accept the recommendations of the SSRB without modification. If this is politically unacceptable, MLAs will need to vote on the recommendations in this and similar future reports, roughly once during each Assembly.

Recommendation 9: We recommend that:

- **the pay of Members of the Legislative Assembly continue to be recommended by an independent body such as the Review Body on Senior Salaries; and**
- **Members of the Legislative Assembly consider the option of committing themselves to accepting the outcome of the independent reviews of their pay without modification.**

[21] Review Body on Senior Salaries. *Review of parliamentary pay, pensions and allowances*. Report No 64. Cm 7270. TSO, 2007. Para.3.30. Available at: http://www.ome.uk.com/downloads/Review%20of%20Parliamentary%20pay%20 2007%20volume%201.pdf.pdf

Chapter 3

Pension arrangements

Introduction

3.1 In our initial report in 1999[22] we recommended that pensions and severance arrangements for Members and office holders in the devolved bodies should be comparable to those available to Westminster MPs and Ministers. We made no change to this recommendation in 2002, although we noted that the decision by the Westminster Parliament in July 2001 to increase their pension accrual rate from 1/50th to 1/40th was contrary to our expressed view. Our opinion, at that time, was that an accrual rate of 1/50th was appropriate in relation to comparable jobs in the private sector and elsewhere in the public sector.

3.2 Pensions constitute an increasingly important part of the total reward package for Members and office holders in the Northern Ireland Assembly. Consequently they are included within our remit for this review. For this report we asked consultants to reassess the value of those pensions as part of their wider review.

Comparisons with other schemes

3.3 As part of our Parliamentary review,[23] our consultants, Watson Wyatt, reviewed the pension arrangements for MPs and office holders comparing them with those available in the other parliaments as shown in **Table 3.1**. They also made comparisons with other public sector schemes and with private sector schemes. They concluded that the current pension arrangements and total reward position for MPs and office holders were very competitive with current standards.

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[22] Review Body on Senior Salaries. *Initial pay, allowances, pensions and severance arrangements for Members of the Scottish Parliament, National Assembly for Wales, Northern Ireland Assembly*. Report No 42. Cm 4188. The Stationery Office, 1999.

[23] Review Body on Senior Salaries. *Review of parliamentary pay, pensions and allowances*. Report No 64. Cm 7270. TSO, 2007. Available at: http://www.ome.uk.com/downloads/Review%20of%20Parliamentary%20pay%202007%20volume%201.pdf.pdf

Table 3.1: **Pension arrangements in the four legislatures**

	Current provision			
Benefit	**Westminster**	**Scottish Parliament**	**Welsh Assembly**	**Northern Ireland Assembly**
Accrual rate	1/40th (or 1/50th) per annum. This is reduced to 1/60th when pension reaches 2/3rds of salary less pension equivalent of retained benefits[1].	1/50th per annum.	1/40th (or 1/50th) per annum.	1/50th per annum.
Pensionable salary	MP salary (i.e. excluding allowances).	MSP salary.	AM salary.	MLA salary.
Normal Retirement Age	65 although some members can continue to build up benefits after that age[2].	65.	65 although members can continue to build up benefits after that age[2].	65.
Earliest age at which pension can be taken unreduced before normal retirement age	If leaving Parliament, the later of 60 and the age at which service plus 20 is equal to 80. Otherwise 65. This "Rule of 80" is being phased out.	In some circumstances, at 50 if they have 15 years of qualifying service.	If leaving the Assembly, the later of 60 and the age at which service plus 20 is equal to 80. Otherwise 65. This "Rule of 80" is being phased out[4].	In some circumstances, at 50 if they have 15 years of qualifying service.
Member contributions	10% (6% for 1/50th) until maximum benefit reached.	6% (for 1/50th) until maximum benefit reached.	10% (6% for 1/50th) until maximum benefit reached.	6% (for 1/50th) until maximum benefit reached.
Maximum benefit	2/3rds of pensionable salary, although accrual can recommence if the member is older than 65[3].	2/3rds of pensionable salary.	2/3rds of pensionable salary, although accrual can recommence if the member is older than 65[3].	2/3rds of pensionable salary.

	Current provision			
Benefit	**Westminster**	**Scottish Parliament**	**Welsh Assembly**	**Northern Ireland Assembly**
Benefits on death whilst an MP	Dependant paid a pension for life of 62.5% of the pension the member would have received if they had remained in service to age 65 but based on pensionable salary at death. A lump sum of 4 times salary is also paid.	Spouse/partner paid a pension for life of 62.5% of the pension the member would have received if they had remained in service to age 65 but based on pensionable salary at death. A lump sum of 3 times salary is also paid.	Spouse/partner paid a pension for life of 62.5% of the pension the member would have received if they had remained in service to age 65 but based on pensionable salary at death. A lump sum of 4 times salary is also paid.	Spouse/partner paid a pension for life of 62.5% of the pension the member would have received if they had remained in service to age 65 but based on pensionable salary at death. A lump sum of 3 times salary is also paid.

Sources: Watson Wyatt, House of Commons, Northern Ireland Assembly, Welsh Assembly, Scottish Parliament

1 Accrual rate:
Pre June 1989 joiners – 2/3rds limit applies on retirement at 65. Members who have reached that age and continue in the House can then build up further pension in excess of the 2/3rds limit.
Post June 1989 joiners – 2/3rds limit applies on retirement at 65 or date of retirement if later.

2 Normal Retirement Age:
Pre June 1989 joiners who have reached the 2/3rds limit at age 65 can build up further pension after this age.
Post June 1989 joiners can build up further pension after age 65 only if they have not reached the 2/3rds limit.

3 Maximum Benefit – See comments under Normal Retirement Age.

4 Service as an MP or an MEP can be counted towards this to the extent that such service is not concurrent with service as an Assembly Member.

Northern Ireland Assembly scheme

3.4 Hay also examined the current pension arrangements for MLAs and judged them "competitive by modern standards". We have considered the current value of the Northern Ireland Assembly pension scheme and concluded that it is still a competitive scheme and an appropriate part of overall reward. We therefore recommend that the current arrangements for the pension scheme for Northern Ireland Assembly Members and office holders are maintained.

Recommendation 10: We recommend that the current arrangements for the pension scheme for Members of the Legislative Assembly and office holders be maintained.

Sustainable funding of the scheme

3.5 As part of our Parliamentary review of pay and pensions, the government invited us to recommend an approach to the funding of the Parliamentary Contributory Pension Fund which would ensure that the scheme remained affordable, and which was fair to both the Exchequer and Members. We were also asked to consider the Government's request for "a recommended maximum level above which the Exchequer contribution should not rise in the future".

3.6 We have not been asked to make similar recommendations for the pension scheme for Northern Ireland Assembly Members and office holders. However, we have considered these issues, as part of our general review of the pension scheme.

3.7 At the time of our Parliamentary review, following the 2005 valuation of the scheme, the position was that the Exchequer contributed 18.1 per cent of payroll for the accrual of benefits while members collectively contributed 9.3 per cent. In addition to this underlying contribution rate of 18.1 per cent, the Exchequer was also contributing a further amount of 8.7 per cent of payroll required over 15 years to amortise the accumulated deficit that had arisen because at times the Exchequer contribution had been below the cost of accrual of benefits, as was the case between 1989 and 2003 while the scheme was in surplus.

3.8 We consequently recommended as part of the Parliamentary review that, for the underlying contribution rate, any increase or decrease in the costs of accrual from factors other than changes to assumptions about the investment return on assets should be shared equally between the Exchequer and members. We also recommended there should be a ceiling of 20 per cent on the underlying Exchequer contribution (i.e. excluding the 8.7 per cent to amortise the current deficit) and if that contribution rose above this level then there should be a major review of the Fund.

3.9 The funding of the pension scheme for Northern Ireland Assembly Members and office holders is very similar to the funding in Westminster. The current position is that the Exchequer contributes 19.0 per cent of payroll for the accrual of benefits while members collectively contribute 6.0 per cent. In addition to this the Exchequer is also contributing an additional amount of 3.1 per cent of payroll to amortise the accumulated deficit that similarly has arisen.

3.10 Whilst it is not in our remit to make recommendations on the future funding of the pension scheme for Northern Ireland Assembly Members and office holders we believe that there is no reason to treat it differently to the Parliamentary scheme. Consequently, we suggest any major review of the Parliamentary scheme should also consider the funding of the pension scheme for Northern Ireland Assembly Members and office holders.

3.11 In line with our recommendation on removing the need for MLAs to vote on their own pay levels, we recommend that MLAs consider committing themselves to accepting the outcome of the independent reviews of their pensions without modification.

Recommendation 11: We recommend that Members of the Legislative Assembly consider the option of committing themselves to accepting the outcome of the independent reviews of their pensions without modification.

Chapter 4

Expenses

Introduction

4.1 The Speaker asked us to consider and make recommendations on the rate and structure of allowances. MLAs need to incur expenditure to carry out the role to which they were elected: they need staff to help them carry out their functions; they need offices in which to conduct their business and meet constituents; and they need resources to communicate with their constituents and to travel to Stormont and within their constituencies.

4.2 However, there is often a lack of understanding about these needs and public perception of them can be poor. We noted, for example, in our 2007 Parliamentary report, that there is confusion over the term 'allowances'. Allowances are often perceived as an addition to salary, as opposed to their real purpose which is to cover the *necessary* expenditure incurred when performing duties associated with the role (with rare exceptions such as the Resettlement Allowance which is payable as a fixed amount). They represent an upper threshold, not an invitation to spend to the maximum, and have to accommodate the most extreme cases (such as expensive rents in particular locations or travel from remote constituencies). In many cases actual expenditure will be much lower. We therefore recommend that the term 'allowances' is replaced by the term 'expenses' and that this terminology is also reflected in the appropriate regulations.

Recommendation 12: We recommend that the term 'allowances' be replaced by the term 'expenses' and that this terminology also be reflected in the appropriate regulations. In detail we recommend that:

a. Office Costs Allowance be renamed Office Costs Expenditure;

b. Travel Allowance be renamed Travel Expenditure;

c. Disability Allowance be renamed Disability Grant;

d. Subsistence Allowance be renamed Subsistence Expenditure;

e. Temporary Secretarial Allowance be renamed Temporary Secretarial Expenditure;

f. Winding Up Allowance be renamed Winding Up Expenditure;

g. Staff Pensions and Redundancy Allowance be renamed Staff Pensions and Redundancy Expenditure; and

h. other expenditure be renamed as appropriate.

4.3 MLAs are keen that there is greater transparency to aid public perception and confidence. In oral evidence sessions with us, MLAs said that it would be helpful if more guidance was available on the application and use of allowances. We understand that written guidance already exists to advise MLAs on the application of allowances but this could be developed further and should be made available to the public on the Assembly website in the same way that the House of Commons Green Book on parliamentary salaries, allowances and pensions[24] provides advice to MPs and is available to all.

[24] *The Green Book: Parliamentary salaries, allowances and pensions*. Department of Finance and Administration, House of Commons, July 2006. Available at: http://www.parliament.uk/documents/upload/HofCpsap.pdf

Recommendation 13: We recommend that the Assembly Commission produce guidance similar to the House of Commons Green Book on parliamentary salaries, allowances and pensions and make it publicly available.

4.4 A robust auditing regime can also improve public perception. There are already sound processes in place. The Assembly administration deal directly with suppliers for all purchases over £500 supported by a supplier's invoice and MLAs are reimbursed for expenditure under £500, provided a receipt is produced or the invoice is marked as paid by the supplier. The only payment that can be issued without an invoice or receipt is a top-up to a Member's petty cash account. The maximum that can be claimed from petty cash is £250 per month and within this limit an individual transaction cannot be greater than £30. Members are not required to provide a receipt for every item claimed under petty cash but they must indicate on the claim form whether they hold a receipt for each item and to what purpose all expenditure was incurred. To improve this system further we recommend that the expense claims of a random sample of 25 per cent of MLAs be audited each year.

Recommendation 14: We recommend that the expense claims of a random sample of 25 per cent of Members of the Legislative Assembly be audited on an annual basis.

Expenditure on staffing and offices

4.5 The Office Costs Allowance (OCA) is payable to MLAs so that they are able to meet the expenses incurred in establishing and running an office and covers secretarial, clerical or administrative assistance costs in addition to constituency office rental costs and the costs associated with equipment, facilities and services such as heating and lighting. It is uprated each April by reference to the Retail Price Index (RPI) and is currently set at £72,660. As explained in paragraph 4.4, expenses below £500 are reimbursed on production of receipts, except for instances where a contract or lease is in place (for example, rental costs).

4.6 The arrangements for the OCA differ from other legislatures in the UK in that one expenditure heading is designed to cover the cost of setting up and running a constituency office and employing staff. It is unusual to have one heading to cover these elements and we discuss this in more detail in paragraphs 4.11–4.12.

4.7 The Speaker asked us to consider the rate and structure of OCA. Administration of OCA has evolved over time and the Speaker believes that it would benefit from an external review. The level of OCA has increased significantly recently. In our last report in 2002[25], we recommended that the level of OCA should be £48,000. With the restoration of devolution on 8th May 2007, this figure was raised to £70,000 by the Secretary of State and has since been uprated in line with the RPI. Hay report that the current level of OCA enables MLAs to employ an average of 1.9 full time equivalent paid members of staff and that some MLAs operate two constituency offices. In some cases MLAs share offices and staff. Figures supplied to us by Assembly officials indicated that 56 per cent of MLAs spend to within £1,000 of the OCA threshold.

4.8 MLAs told us that they had welcomed the increase in OCA last year; in particular it had enabled them to pay staff adequately and rent suitable office premises to carry out their job. They felt that the current level of OCA was now correct. Hay reported that some MLAs had suggested to them that extra resource could be used to fund additional support in their constituencies but found no evidence to suggest that the current level of OCA was inadequate.

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[25] Review Body on Senior Salaries. *Northern Ireland Assembly: review of pay and allowances*. Report No 52. TSO, 2002. Available at: http://www.ome.uk.com/downloads/Senior%20Salaries%20NI.pdf

4.9 It is clear that demands on MLAs are growing as their role expands but as discussed in paragraph 2.5, overall representation is very high compared to other legislatures and as a result constituents in Northern Ireland currently receive more support from MLAs and publicly funded staff than do constituents covered by other legislatures. Putting this together with Hay's findings, we conclude that OCA is set at an appropriate level and recommend no change in addition to the uprating that took place in April of this year.

4.10 During our discussions at Stormont we heard that some MLAs use volunteers to help with their workload and Hay report that many MLAs employ volunteers to work in their constituencies. Volunteers do not qualify for the minimum wage as they provide their time and effort completely free without any contractual obligation to do so. However, some people who consider themselves to be volunteers may actually be workers under the definition contained in the National Minimum Wage Act and eligible to receive payment for the work they undertake. If an individual receives regular payments, benefits in kind or expenses for the work they do or if there is an obligation on them to carry out the work personally and the employer provides the work, they may be legally entitled to receive the minimum wage. Some guidance is made available to MLAs on the use of volunteers, eg with regard to payment of expenses, but this needs to be strengthened to ensure that use of volunteers complies with legislation. We therefore recommend that the Assembly Commission provide MLAs with guidance on the designation, management and deployment of voluntary workers to ensure compliance with minimum wage legislation.

Recommendation 15: We recommend that the Assembly Commission provide Members of the Legislative Assembly with guidance on the designation, management and deployment of voluntary workers to ensure compliance with minimum wage legislation.

4.11 During evidence sessions, we heard of a number of concerns from MLAs about public perception of OCA and we were asked to recommend changes to the allowance's processes and administration to aid transparency. The allowance is currently perceived by some to have a high ceiling but as discussed in paragraph 4.6, this is largely because it combines a wide range of costs that are covered by separate expense headings in other legislatures. In addition, MLAs told us that they welcomed the flexibility that one expenditure category gave them to enable them to cover all the costs incurred in running and staffing an office.

4.12 We considered dividing OCA into its main component parts: office expenses, staffing expenses, and other office costs; but we have had regard to MLAs' representations on the convenience of a single expenditure category. We believe, however that this is something that should be kept under review. In the meantime, there would be greater transparency if there was improved understanding of the areas that OCA covers. We suggest that our recommendation on producing publicly available guidance (Recommendation 13) will help with this. In addition, we understand that there are plans to publish information at intervals on how OCA is used against a range of headings. This is a matter for the Assembly rather than the Review Body, but we strongly endorse these proposals and are confident they will be seen as a positive development.

4.13 In line with our policy on terminology, we recommend that OCA be renamed to emphasise that it is designed to reimburse actual expenditure incurred in the course of MLA work, rather than a personal allowance to each MLA.

4.14 To ensure that rental levels are perceived as fair, we recommend that the Assembly Commission make arrangements for an independent assessment of the premises by a chartered surveyor or other suitably qualified assessor to ensure that the rental charges

are reasonable for the area. Assessment should take place before MLAs move to new premises or renew rental agreements. In our report on parliamentary pay, pensions and allowances[26], we recommended a cap on the maximum amount of floor area for an MP's constituency office (800 square feet). We have no evidence on what would be a reasonable amount of space for MLAs who have fewer staff than MPs so we recommend that the Assembly Commission assess the maximum amount of space the taxpayer should fund to enable MLAs to carry out their constituency duties.

4.15 We are aware that there is some discussion of whether MLAs should be able to reclaim the cost of capital improvements to rented premises. We do not see any particular problems with this, provided the guidance on the refurbishment of constituency offices is followed, the rent fairly recognises the initial unimproved state of a property and the amount paid for any improvements is reasonable. The arrangements we propose for independent confirmation of rent and for sample auditing of expenses (paragraph 4.4 above) should provide the necessary reassurance.

Recommendation 16: We recommend that the Assembly Commission assess the space requirements for the office accommodation of Members of the Legislative Assembly and arrange for an independent assessment of rental charges before Members of the Legislative Assembly move to new premises or renew rental agreements.

4.16 In our Parliamentary report, we explain the staffing level and posts that the Staffing Allowance is designed to cover to enable MPs to carry out their duties. We believe that there should be more guidance available to MLAs when they are required to make recruitment decisions. We also believe that publication of this guidance will aid transparency and we therefore recommend that the Assembly Commission provide job descriptions and guideline paybands for each post.

Recommendation 17: We recommend that the Assembly Commission provide job descriptions and guideline paybands for the posts of staff employed by Members of the Legislative Assembly and that this guidance be published.

Travel Allowance

4.17 Travel Allowance is paid to MLAs when carrying out their Assembly duties. MLAs are reimbursed the costs of fares for travel by train, air, bus, and taxi. For travel by car, MLAs are reimbursed at the following rates:

- 40 pence per mile for the first 20,000 miles; and
- 25 pence for each mile thereafter.

MLAs were generally content with the mileage rate up to the 20,000 miles threshold but a few felt that there should be no reduction in the rate after the threshold.

4.18 The evidence we received for our Parliamentary report[27] indicates that the majority of organisations use Her Majesty's Revenue and Customs (HMRC) rates which are less generous than the rates available to MLAs, i.e. the threshold at which the rate decreases to 25 pence per mile is set at 10,000 miles per tax year. We therefore recommend that the threshold above which the 25 pence rate applies, be reduced from 20,000 miles to

[26] Review Body on Senior Salaries. *Review of parliamentary pay, pensions and allowances*. Report No. 64. Cm 7270. TSO, 2007. Available at: http://www.ome.uk.com/downloads/Review%20of%20Parliamentary%20pay%20 2007%20volume%201.pdf.pdf

[27] Review Body on Senior Salaries. *Review of parliamentary pay, pensions and allowances*. Report No. 64. Cm 7270. TSO, 2007. Para. 3.30. Available at: http://www.ome.uk.com/downloads/Review%20of%20Parliamentary%20 pay%202007%20volume%201.pdf.pdf

10,000 miles in line with HMRC rates since we do not believe it would be appropriate for elected representatives to receive higher mileage rates than most employers apply because of the HMRC limits.

Recommendation 18: We recommend that the threshold after which the mileage allowance is reduced to 25 pence per mile be set at 10,000 miles, in line with Her Majesty's Revenue and Custom rates.

4.19 Some MLAs discussed with us the financial arrangements for travel outside Northern Ireland and argued that there should be an allowance to fund two or three visits to Brussels each year to help foster better links with the European Parliament.

4.20 Provision for travel already exists for office holders and committee members and we heard no clear case for this to be extended to enable MLAs, individually and independently, to make such trips.

4.21 As we have discussed in paragraph 4.2, the term 'allowances' is misleading and therefore in line with our recommendation on the renaming of allowances we recommend that Travel Allowance be renamed Travel Expenditure.

Other Expenses

4.22 MLAs are entitled to claim other expenses such as disability allowance and subsistence allowance. Although we heard from one MLA that the level of Temporary Secretarial Allowance is insufficient to cover some absences, for example maternity leave, MLAs we spoke to were generally content with the level and operation of other expenses. Hay also received little evidence on these expenditures and concluded that no change was required.

Payments on leaving office

Resettlement Allowance

4.23 The Resettlement Allowance is payable to MLAs who do not stand for re-election to the Assembly, or who are not re-elected. Payment ranges from 50 to 100 per cent of salary and is calculated according to the age of the MLA and their length of service. The first £30,000 of the allowance is tax-free, in line with national redundancy regulations. If an MLA retires for ill health reasons, an Ill-health Retirement Allowance is payable, calculated in the same way as the Resettlement Allowance.

4.24 We were asked to consider the level of the Resettlement Allowance, in particular whether the arrangements could be changed to better reflect the contribution made by retiring members. In doing this we have taken into account our deliberations on the Westminster Resettlement Grant as published in our 2007 parliamentary report[28]. We use the same arguments and principles here. First, as it currently stands, the Allowance runs contrary to the principle of age discrimination legislation. Secondly, the allowance is analogous to a redundancy payment, but such a payment would not normally be paid to those who resign or retire from work. In addition we heard that the current arrangements make little provision for differences in the length of service of members. We therefore recommend that the allowance be paid only to MLAs who have stood unsuccessfully at an Assembly election of whose seats have been abolished through constituency restructure. We also suggest that the method of calculation of resettlement payments should, like redundancy payments, reflect length of service and we therefore recommend that the allowance be calculated at one month's salary for each full year of service in the Assembly up to

[28] Review Body on Senior Salaries. *Review of parliamentary pay, pensions and allowances*. Report No. 64. Cm 7270. TSO, 2007. Para. 3.30. Available at: http://www.ome.uk.com/downloads/Review%20of%20Parliamentary%20pay%202007%20volume%201.pdf.pdf

a maximum of nine months' salary. The changes should not take effect until after the current Assembly so that MLAs are fully aware of the new arrangements before making decisions about their future.

4.25 In line with our intention to make the terminology of allowances clearer, we recommend that the Resettlement Allowance be renamed 'Resettlement Payment'.

Recommendation 19: We recommend that the Resettlement Allowance be calculated at one month's salary for each year of service as a Member of the Legislative Assembly, up to a maximum of nine months' salary, and be paid only to Members of the Legislative Assembly who lose their seats at an Assembly election or whose seats have been abolished through constituency restructure, and that it be renamed Resettlement Payment. This recommendation should take effect from the next Assembly.

Recommendation 20: We recommend that the Ill-health Retirement Allowance be renamed Ill-health Retirement Payment and be calculated in the same way as the Resettlement Payment.

Winding Up Allowance

4.26 Winding Up Allowance is paid to, or in respect of, members who cease to be MLAs. Eligible costs include contractual obligations to staff, office rental agreements during the winding–up period of four months together with any additional costs incurred in terminating such agreements, expenses for postage, stationery, telephones and travelling expenses incurred during this period.

4.27 The level of Winding Up Allowance is set by the Allowances to Members of the Assembly Act (Northern Ireland) 2000. The Allowances to Members of the Assembly (Winding up Allowance) (Amendment) Order (Northern Ireland) 2002 set the rate as £16,000, the rationale being that the allowance is one third of the maximum rate of OCA which at that time was £48,000.

4.28 We received no written or oral submissions from MLAs on the Winding Up Allowance. This is possibly because no MLA has needed to claim the expenditure since the level of OCA increased from £48,000 to £72,660. We therefore recommend that the limit of the Winding Up Allowance be raised to reflect increased costs over recent years and reinstated at a third of OCA. It should remain at one third each time there is an increase to the level of OCA.

4.29 As discussed in paragraph 4.2, the term 'allowances' is misleading and we therefore recommend that the Winding Up Allowance be renamed Winding Up Expenditure.

Recommendation 21: We recommend that the Winding Up Allowance be renamed Winding Up Expenditure and that the limit be set and remain at a third of the Office Costs Allowance each time the level of the Office Costs Allowance is increased.

Abatement of expenses

4.30 MLAs who are also MPs currently receive their full MP's salary and an abated salary of one third of the MLA's salary. This does not include Sinn Féin MPs who receive their full pay as an MLA as they do not receive a Westminster salary. Those with dual roles have access to two expense regimes. As MLAs they are able to claim from OCA and as an MP they have access to Incidental Expenses Provision and Staffing Allowance plus other expenditure categories e.g. Additional Costs Allowance. Self evidently, they are not permitted to claim

for the same expenses from the two sets of expenditure provision, and are required to sign declarations to that effect. The audit we recommend in paragraph 4.4 above will provide additional public assurance on this point.

4.31 We heard from MLAs who felt that allowances for individuals who are also MPs should be abated in the same way as pay on the basis that those with dual roles would be able to use the two sets of expenditure to support larger offices and have an advantage over those with single mandates. Hay reached the same conclusion in talking to MLAs and believe that it is inappropriate for MLAs with MP roles to be able to access both sets of expenses. They found no evidence to suggest that a full set of constituency work is generated for the second role and concluded that there was no requirement for an extra, staffed office for MLA's work beyond that needed as an MP. Since constituents in Northern Ireland have a single MP but six MLAs, the constituency workload for an MP is potentially much greater than for an MLA.

4.32 We agree with the direction of Hay's thinking. Some MLAs who are also MPs take the view that, as the roles of MPs and MLAs are distinct and that each is subject to its own election process with no formal financial linkages, there should be full access to the allowances for both with no abatement. While we accept that it is not appropriate for the SSRB to rule on whether or not MLAs should also be MPs, it is legitimate for us to examine the financial consequences of holding roles in more than one legislature and to quantify the additional marginal costs involved. Although the roles may be different in some respects, there are nevertheless economies of scale and synergies in staffing and other overheads which should offer scope for efficiencies. As a general guide we would expect an MLA who is also an MP to be able to operate from the same premises and use the same equipment. The key question is what additional staffing resource is required to fulfil the MLA role over and above that required to do the job of an MP. We estimate that to be one additional full time equivalent member of staff, most likely a researcher, focused on Stormont issues. We estimate such a post would incur a cost of around £27,000 at today's salary levels including pension and national insurance contributions. We are prepared to round this to £35,000 to allow for necessary administration expenditure and to take account of the effects of inflation as we recommend that the new arrangements take place from the start of the next Assembly. This figure equates to about half of the OCA expenditure limit for MLAs with single mandates and therefore represents an abatement of about 50 per cent.

Recommendation 22: We recommend that Members of the Legislative Assembly who are also Members of Parliament at Westminster should be able to claim Office Costs Allowance only up to £35,000 if they already claim expenses as a Member of Parliament at Westminster and that the new arrangements should operate from the start of the next Assembly.

4.33 In paragraph 4.28 we recommend that the Winding Up Allowance be set at one third of OCA. We therefore recommend that the Winding Up Allowance for MLAs who are also MPs be set at one third of the abated OCA.

Recommendation 23: We recommend that Members of the Legislative Assembly who are also Members of Parliament at Westminster should be allowed to claim Winding Up Allowance only up to one third of the level of the abated Office Costs Allowance.

Uprating of expenses

4.34 The majority of expenditure headings are uprated automatically, for example, OCA is uprated by RPI each year and the Resettlement Allowance is linked to MLA salary. We see no reason to change the current uprating mechanisms.

4.35 In paragraph 4.32 we recommend that MLAs who are also MPs should be allowed to claim expenses to cover the cost of only one extra member of staff and other incidental expenses up to a limit of £35,000. We recommend that this abated OCA figure be uprated each April by RPI.

Recommendation 24: We recommend that the abated Office Costs Allowance for Members of the Legislative Assembly who are also Members of Parliament at Westminster be uprated each April in line with the Retail Price Index.

Future reviews of expenses

4.36 In paragraphs 2.45–2.47 we discuss removing the need for MLAs to vote on their own pay levels. We believe that the same arrangements should apply to MLAs' expenses and therefore recommend that the rate and structure of expenses continue to be recommended by an independent body such as the Review Body on Senior Salaries. We further recommend that MLAs consider committing themselves to accepting the outcome of the independent reviews without modification.

Recommendation 25: We recommend that:

- **the expenses of Members of the Legislative Assembly continue to be recommended by an independent body such as the Review Body on Senior Salaries; and**
- **Members of the Legislative Assembly consider the option of committing themselves to accepting the outcome of the independent reviews of their expenses without modification.**

Appendix A

Letter from the Secretary of State for Northern Ireland

Northern Ireland Office

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Secretary of State for Northern Ireland

John Baker CBE
Chairman
Senior Salaries Review Body
Office of Manpower Economics
Kingsgate House
66-74 Victoria Street
London
SW1E 6SW

4 May 2007

Dear Mr Baker,

I am writing to seek the Senior Salaries Review Body's (SSRB's) agreement to review the existing structure for salaries, allowances and pension benefits paid to members and office-holders of the Northern Ireland Assembly and, in particular, how they compare with salaries and allowances paid for Members of Parliament at Westminster, the Scottish Executive and the National Assembly for Wales.

I know that SSRB has previously reported on pay and allowances for members and office-holders of the Northern Ireland Assembly, mostly recently in 2002 (Report No 52). I have made several Determinations during the period of suspension of devolution regarding salaries and allowances but, because of the lengthy period of suspension, the rate of the current pay and allowances for members and office-holders may not now be comparable with those in other devolved administrations such as the National Assembly for Wales and the Scottish Executive.

I understand that a number of recommendations of the 2002 SSRB Report were adopted and implemented by the Assembly; however, the recommended uplift in MLA salaries was not implemented together with a number of other recommendations.

Northern Ireland Office

Following the restoration of devolution on 8 May, the structure for salaries, allowances and benefits paid to members and office-holders of the Northern Ireland Assembly will be a matter for the Northern Ireland Assembly Commission, the Assembly's Corporate Body and that issue of salaries, and review by SSRB, is likely to be an issue to be considered by the Assembly Commission at an early stage following the restoration of devolution. I am therefore copying this letter to the Speaker of the Northern Ireland Assembly.

RT HON PETER HAIN MP
SECRETARY OF STATE FOR NORTHERN IRELAND

Appendix B

Terms of reference from the Speaker of the Northern Ireland Assembly

The Speaker

Northern Ireland Assembly

William Hay MLA
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Belfast, BT4 3XX

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Mr John Baker CBE
Chairman
Senior Salaries Review Body
Kingsgate House
66-74 Victoria Street
LONDON
SW1E 6SW

14 June 2007

Dear Mr Baker

Thank you for copying to me your letter of 7 June 2007 to the Secretary of State for Northern Ireland. I can now confirm that the Assembly Commission has given consideration to a further review of Salaries and Allowances for Members of the Northern Ireland Assembly. You will appreciate that the Assembly was suspended from 14 October 2002 to 8 May 2007, during which time there were a number of changes in the Salaries and Allowances paid to Members. A Review is therefore timely, and I have attached for your consideration a draft Terms of Reference for such a Review.

I understand that the Clerk to the Commission, Tony Logue, has had some initial discussions with your Secretariat in the Office of Manpower Economics. I can confirm that Mr Logue will engage further with your Secretariat in the coming weeks to work through a mutually suitable timescale for the completion of the Review.

Thank you for giving this matter such prompt attention.

Yours sincerely

WILLIAM HAY MLA

Annex A

Draft Terms of Reference

The Senior Salaries Review Body is asked to consider and make recommendations on the structure for pay, allowances and pensions in the Northern Ireland Assembly covering each of the following items:

- the salary of elected Members;
- the salary of office holders including the Presiding Officer, Deputy Presiding Officers, members of the Assembly Commission, Chairpersons and Deputy Chairpersons of Committees (both Statutory and Standing Committees); and, if deemed appropriate, Party Business Managers (Whips);
- the salary of members of the Executive Committee including the First and Deputy First Ministers, other Ministers and Junior Ministers;
- the rate and structure of the Office Costs Allowance;
- the rate and structure of all other allowances (excluding Office Costs Allowance) payable to enable Members to carry out their duties effectively;
- the levels for the resettlement, ill-health retirement and winding up allowances currently payable to Members;
- the pension arrangements for Members of the Assembly and the Executive Committee;
- the current arrangements for annual uprating of salaries and allowances; and
- arrangements for abating the salaries of Members of the Assembly who are also MPs and / or MEPs.

Appendix C

List of Members of the Legislative Assembly who gave oral evidence to the Review Body on Senior Salaries in April 2008 in order of appearance

Mr William Hay (Speaker)

Mr Paul Butler (Sinn Féin)

Rev Dr Robert Coulter (Ulster Unionist Party)

Mr Alban Maginness (Social Democratic and Labour Party)

Mr Stephen Moutray (Democratic Unionist Party)

Mr Sean Neeson (Alliance)

John O'Dowd (Sinn Féin)

Paul Maskey (Sinn Féin)

Kieran McCarthy (Alliance)

David Frost (Alliance)

PJ Bradley (Social Democratic and Labour Party)

David McClarty (Ulster Unionist Party)

Dawn Purvis (Progressive Unionist Party)

Northern Ireland Assembly Officials

Appendix D

List of Members of the Legislative Assembly as at July 2008

NAME	PARTY	CONSTITUENCY
ADAMS GERRY	SINN FÉIN	BELFAST WEST
ANDERSON MARTINA	SINN FÉIN	FOYLE
ARMSTRONG BILLY	UUP	MID-ULSTER
ATTWOOD ALEX	SDLP	BELFAST WEST
BEGGS ROY	UUP	EAST ANTRIM
BOYLAN CATHAL	SINN FÉIN	NEWRY & ARMAGH
BRADLEY DOMINIC	SDLP	NEWRY & ARMAGH
BRADLEY MARY	SDLP	FOYLE
BRADLEY PJ	SDLP	SOUTH DOWN
BRADY MICKEY	SINN FÉIN	NEWRY & ARMAGH
BRESLAND ALLAN	DUP	WEST TYRONE
BROLLY FRANCIE	SINN FÉIN	EAST LONDONDERRY
BROWNE WALLACE	DUP	BELFAST EAST
BUCHANAN THOMAS	DUP	WEST TYRONE
BURNS THOMAS	SDLP	SOUTH ANTRIM
BURNSIDE DAVID	UUP	SOUTH ANTRIM
BUTLER PAUL	SINN FÉIN	LAGAN VALLEY
CAMPBELL GREGORY	DUP	EAST LONDONDERRY
CLARKE WILLIE	SINN FÉIN	SOUTH DOWN
CLARKE TREVOR	DUP	SOUTH ANTRIM
COBAIN FRED	UUP	BELFAST NORTH
COULTER ROBERT	UUP	NORTH ANTRIM
CRAIG JONATHAN	DUP	LAGAN VALLEY
CREE LESLIE	UUP	NORTH DOWN
DALLAT JOHN	SDLP	EAST LONDONDERRY
DEENY KIERAN	INDEPENDENT HEALTH COALITION	WEST TYRONE
DODDS NIGEL	DUP	BELFAST NORTH
DOHERTY PAT	SINN FÉIN	WEST TYRONE
DONALDSON JEFFREY	DUP	LAGAN VALLEY
DURKAN MARK	SDLP	FOYLE
EASTON ALEX	DUP	NORTH DOWN
ELLIOTT TOM	UUP	FERMANAGH & SOUTH TYRONE
EMPEY REG	UUP	BELFAST EAST
FARRY STEPHEN	ALLIANCE	NORTH DOWN
FORD DAVID	ALLIANCE	SOUTH ANTRIM
FOSTER ARLENE	DUP	FERMANAGH & SOUTH TYRONE
GALLAGHER TOMMY	SDLP	FERMANAGH & SOUTH TYRONE
GARDINER SAM	UUP	UPPER BANN
GILDERNEW MICHELLE	SINN FÉIN	FERMANAGH & SOUTH TYRONE

NAME	PARTY	CONSTITUENCY
HAMILTON SIMON	DUP	STRANGFORD
HANNA CARMEL	SDLP	BELFAST SOUTH
HAY WILLIAM	DUP	FOYLE
HILDITCH DAVID	DUP	EAST ANTRIM
IRWIN WILLIAM	DUP	NEWRY & ARMAGH
KELLY DOLORES	SDLP	UPPER BANN
KELLY GERRY	SINN FÉIN	BELFAST NORTH
KENNEDY DANNY	UUP	NEWRY & ARMAGH
LO ANNA	ALLIANCE	BELFAST SOUTH
LONG NAOMI	ALLIANCE	BELFAST EAST
LUNN TREVOR	ALLIANCE	LAGAN VALLEY
MAGINNESS ALBAN	SDLP	BELFAST NORTH
MASKEY ALEX	SINN FÉIN	BELFAST SOUTH
MASKEY PAUL	SINN FÉIN	BELFAST WEST
MCCALLISTER JOHN	UUP	SOUTH DOWN
MCCANN FRA	SINN FÉIN	BELFAST WEST
MCCANN JENNIFER	SINN FÉIN	BELFAST WEST
MCCARTHY KIERAN	ALLIANCE	STRANGFORD
MCCARTNEY RAYMOND	SINN FÉIN	FOYLE
MCCAUSLAND NELSON	DUP	BELFAST NORTH
MCCLARTY DAVID	UUP	EAST LONDONDERRY
MCCREA BASIL	UUP	LAGAN VALLEY
MCCREA IAN	DUP	MID-ULSTER
MCCREA WILLIAM	DUP	SOUTH ANTRIM
MCDONNELL ALASDAIR	SDLP	BELFAST SOUTH
MCELDUFF BARRY	SINN FÉIN	WEST TYRONE
MCFARLAND ALAN	UUP	NORTH DOWN
MCGILL CLAIRE	SINN FÉIN	WEST TYRONE
MCGIMPSEY MICHAEL	UUP	BELFAST SOUTH
MCGLONE PATSY	SDLP	MID-ULSTER
MCGUINNESS MARTIN	SINN FÉIN	MID-ULSTER
MCHUGH GERRY	INDEPENDENT	FERMANAGH & SOUTH TYRONE
MCILVEEN MICHELLE	DUP	STRANGFORD
MCKAY DAITHI	SINN FÉIN	NORTH ANTRIM
MCLAUGHLIN MITCHEL	SINN FÉIN	SOUTH ANTRIM
MCNARRY DAVID	UUP	STRANGFORD
MCQUILLAN ADRIAN	DUP	EAST LONDONDERRY
MOLLOY FRANCIE	SINN FÉIN	MID-ULSTER
MORROW MAURICE	DUP	FERMANAGH & SOUTH TYRONE
MOUTRAY STEPHEN	DUP	UPPER BANN
MURPHY CONOR	SINN FÉIN	NEWRY & ARMAGH
NEESON SEAN	ALLIANCE	EAST ANTRIM
NEWTON ROBIN	DUP	BELFAST EAST
NI CHUILIN CARAL	SINN FÉIN	BELFAST NORTH
O'DOWD JOHN	SINN FÉIN	UPPER BANN

NAME	PARTY	CONSTITUENCY
O'LOAN DECLAN	SDLP	NORTH ANTRIM
O'NEILL MICHELLE	SINN FÉIN	MID-ULSTER
PAISLEY IAN	DUP	NORTH ANTRIM
PAISLEY IAN JNR	DUP	NORTH ANTRIM
POOTS EDWIN	DUP	LAGAN VALLEY
PURVIS DAWN	PUP	BELFAST EAST
RAMSEY PAT	SDLP	FOYLE
RAMSEY SUE	SINN FÉIN	BELFAST WEST
RITCHIE MARGARET	SDLP	SOUTH DOWN
ROBINSON GEORGE	DUP	EAST LONDONDERRY
ROBINSON IRIS	DUP	STRANGFORD
ROBINSON KEN	UUP	EAST ANTRIM
ROBINSON PETER	DUP	BELFAST EAST
ROSS ALASTAIR	DUP	EAST ANTRIM
RUANE CAITRIONA	SINN FÉIN	SOUTH DOWN
SAVAGE GEORGE	UUP	UPPER BANN
SHANNON JIM	DUP	STRANGFORD
SIMPSON DAVID	DUP	UPPER BANN
SPRATT JIMMY	DUP	BELFAST SOUTH
STOREY MERVYN	DUP	NORTH ANTRIM
WEIR PETER	DUP	NORTH DOWN
WELLS JIM	DUP	SOUTH DOWN
WILSON BRIAN	GREEN	NORTH DOWN
WILSON SAMMY	DUP	EAST ANTRIM

Source: http://www.niassembly.gov.uk/members/membership07.htm

Party	Total
DUP	36
SINN FÉIN	27
UUP	18
SDLP	16
Alliance	7
Independent	1
PUP	1
Independent Health Coalition	1
Green	1
Total	**108**

Number of MLAs with dual mandates: 16
Number of MLAs with remunerated office holder positions: 46

Appendix E

List of recommendations from the Review Body on Senior Salaries' 2002 report on pay, pensions and allowances for the Northern Ireland Assembly

Recommendation 1: We recommend that the slippage in an MLA's salary in comparison with that of a Westminster MP should be made good. As a result:

- MLA pay *before* the uprating due on 1 April 2002 should be a notional £42,546.
- This figure should be uprated by 2.5 per cent from 1 April 2002.
- An additional £1,640 should be added as the relevant proportion of the sum awarded to MPs this year to ensure comparability with salaries elsewhere in the public sector.
- This gives rise to a recommended new salary of £45,250 from 1 April 2002.

Recommendation 1: Not implemented

Recommendation 2: We recommend that the Chairs of the Committee of the Centre and the Public Accounts Committee should be paid the same as the Chairs of the Statutory Committees.

Recommendation 2: Implemented

Recommendation 3: We recommend that following adjustments to the salaries of MPs or office holders at Westminster (outside the annual uprating mechanism) a review of the relevant salaries in the Northern Ireland Assembly should be undertaken.

Recommendation 3: Implemented

Recommendation 4: We recommend that the Assembly Commission provides guidance on job descriptions and pay ranges for Members' support staff.

Recommendation 4: Implemented

Recommendation 5: We recommend that a notional £12,000 of the OCA be set aside for office costs.

Recommendation 5: Not Implemented

Recommendation 6: We recommend that the Assembly Commission provides Members with guidance on standards and rental costs for offices.

Recommendation 6: Not Implemented

Recommendation 7: We recommend an increase in the level of the OCA to £48,000.

Recommendation 7: Implemented

Recommendation 8: We recommend an increase in the central IT provision to include equipment for up to two members of staff for each MLA and maintenance, upgrading and appropriate replacement.

Recommendation 8: Implemented

Recommendation 9: We recommend that the Assembly considers central funding for costs arising from statutory requirements on disability.

Recommendation 9: Not implemented

Recommendation 10: We recommend that the Assembly Commission reviews the current Party Allowance scheme.

Recommendation 10: Not implemented

Appendix F

Salaries with effect from 1 April 2007

Post	Ministerial/office holder salary (£)	Including MLA's salary (£)
First & Deputy First Ministers	71,898	115,279
Speaker (Presiding Officer)	38,047	81,428
Deputy Presiding Officer	8,554	51,935
Minister	38,047	81,428
Junior Minister	19,736	63,117
Commission Members	11,405	54,786
Statutory Committee Chair	11,405	54,786
Non-Statutory Committee Chair	11,405	54,786
Deputy Chair	5,704	49,085

MLA salary as at 1 April 2007: £43,381

Appendix G

Previous reports of the Review Body on Senior Salaries on relevant matters

First Report:	Ministers of the Crown and Members of Parliament	Cmnd. 4836, December 1971
No. 5:	Members of Parliament: Allowances	Cmnd. 5701, July 1974
No. 7:	Ministers of the Crown and Members of Parliament and the Peers' expenses allowance: Part I	Cmnd. 6136, July 1975
No. 8:	Ministers of the Crown and Members of Parliament and the Peers' expenses allowance: Part II	Cmnd. 6574, July 1976
No. 9:	Ministers of the Crown and Members of Parliament and the Peers' expenses allowance: Part III	Cmnd. 6749, March 1977
No. 12:	Ministers of the Crown and Members of Parliament and the Peers' expenses allowance: Part I	Cmnd. 7598, June 1979
No. 13:	Ministers of the Crown and Members of Parliament and the Peers' expenses allowance: Part II	Cmnd. 7825, February 1980
No. 15:	Ministers of the Crown and Members of Parliament and the Peers' expenses allowance	Cmnd. 7953, July 1980
No. 17:	Ministers of the Crown and Members of Parliament and the Peers' expenses allowance	Cmnd. 8244, May 1981
No. 20:	Review of Parliamentary Allowances: Volumes I & II	Cmnd. 8881, May 1983
No. 24:	Review of Parliamentary Allowances: Volumes I & II	Cm. 131, April 1987
No. 26:	Review of Aspects of the Parliamentary Pension Scheme and Other Members	Cm. 362, May 1988
No. 31:	Review of the Parliamentary Scheme and of Resettlement Grants for Members of Parliament	Cm. 1576, June 1991
No. 32:	Review of the House of Commons Office Costs Allowance	Cm.1943, July 1992
No. 36:	Review of the Parliamentary Pension Scheme	Cm. 2830, March 1995
No. 38:	Review of the Parliamentary Pay and Allowances: Volumes I and II	Cm. 3330, July 1996
No. 42:	Initial pay, allowances, pensions and severance arrangements for: Members of the Scottish Parliament, National Assembly for Wales, Northern Ireland Assembly	Cm. 4188, March 1999
No. 43:	Devolution: Salaries for Ministers and Office-holders and office support for Members; and Parliamentary Development Recommendations	Cm. 4246, March 1999
No. 44	The Greater London Authority: initial pay, expenses, pensions and severance arrangements for the Mayor and Assembly Members	Cm. 4547, February 2000
No. 47:	Review of the Parliamentary Pension Scheme	Cm. 4996, March 2001

No. 48:	Review of the parliamentary pay and allowances: Volumes I and II	Cm. 4997, March 2001
No. 49:	National Assembly for Wales: Review of Pay and Allowances	June 2001
No. 50:	Scottish Parliament: Review of Pay and Allowances	December 2001
No. 52:	Northern Ireland Assembly: Review of Pay and Allowances	May 2002
No. 53:	Greater London Authority: Review of pay and expenses for the Mayor of London and London Assembly Members	May 2002
No. 55:	Pay for Select Committee Chairmen in the House of Commons	Cm 5673, July 2003
No. 57:	Review of Parliamentary Pay and Allowances 2004: Volumes I and II	Cm 6354-1, Cm 6354-2 October 2004
No. 58:	National Assembly for Wales: Review of Pay and Allowances 2004	(not printed)
No. 60:	Pay for Standing Committee Chairmen in the House of Commons	Cm 6566 June 2005
No. 61:	Greater London Authority: Review of pay and expenses for the Mayor of London and London Assembly Members 2005	(not printed)
No. 64:	Review of parliamentary pay, pensions and allowances 2007: Volumes I and II	Cm 7270-1, Cm 7270-2 January 2008

Appendix H

Glossary of terms and abbreviations

AM	Member of National Assembly for Wales
DUP	Democratic Unionist Party
HMRC	Her Majesty's Revenue and Customs
MLA	Member of the Legislative Assembly of Northern Ireland
MP	Member of Parliament at Westminster
NHS	National Health Service
OCA	Office Costs Allowance
OME	Office of Manpower Economics
PUP	Progressive Unionist Party
RPI	Retail Price Index
SCS	Senior Civil Service
SDLP	Social Democratic and Labour Party
SMP	Member of the Scottish Parliament
SSRB	Review Body on Senior Salaries
UUP	Ulster Unionist Party