

Mr Robin Newton MBE MLA
Speaker
Room 40
Parliament Buildings
Ballymiscaw
Stormont
Belfast BT4 3XX

22 June 2016

Dear Mr Speaker

INDEPENDENT FINANCIAL REVIEW PANEL (IFRP)

As I am sure you are aware, the period of appointment of the members of IFRP will end on 1 July 2016. I am therefore writing on behalf of the Panel to essentially wind up its term in office.

The Panel is required under the Assembly Members (Independent Financial Review and Standards) Act (Northern Ireland) 2011 to provide to the Commission a report on the performance of its functions, including the use of resources, at the end of each financial year. As such, I have pleasure in enclosing a copy of Panel's annual report for 2015/16, and I would be grateful if you would bring it to the attention of the Commission.

In addition to providing you with our report, I would also like to draw the attention of the Commission to the recommendations that the Panel made in its report on Northern Ireland Assembly Members' Salaries, Allowances, Expenses and Pensions (published on 23 March 2016) and which it believes that the Commission should consider. Paragraph 15 of that report summarises those recommendations and paragraphs 222 to 265 provide further detail.

I also wish to formally record sincere thanks to all those staff in the Assembly who have supported the Panel in its work over the past five years, whether as part of the team working directly to the Panel, or those who have had to implement the provisions of its

Determinations. It would not be fair to mention anyone by name, but suffice to say their professionalism and dedication is a credit to them and to the Assembly.

In 2011, the Commission and the Assembly took the bold step of appointing the Panel to determine the pay, pensions and expenses of Members. Since then, the Panel has sought to discharge its responsibilities in a manner that is fair, ensures that Members have the resources they need to enable them to do their jobs and that complies with the highest standards of good governance. In doing so, the Panel has not only delivered substantial cost savings, but has:

- delivered significant pay rises to Members;
- reformed the systems of expenses;
- begun to professionalise the recruitment of MLA support staff;
- delivered major pay rises for the most junior of MLA support staff; and
- modernised pensions for MLAs and their staff.

Looking ahead, I am aware that the Commission is considering a number of matters in relation to reform of the Panel and indeed that such reform may lead to a period during which there may be no Panel in existence. Whilst matters relating to reform are indeed properly for the Commission to determine, it would nonetheless be remiss of me if I were not to relay to you and the Commission the Panel's view that any period during which no Panel is in place leaves a vacuum, not least for those who must implement the Determinations, and the potential for reputational risk to the Assembly.

In conclusion, the Panel, which I have had the privilege to chair over the past five years, draws considerable satisfaction from the reforms that it has introduced, not least towards building and increasing public confidence and esteem in the Northern Ireland Assembly and its Members. The Panel believes its Determinations and Reports have fulfilled each of its functions under Section 2 of the Assembly Members (Independent Financial Review and

Standards) Act (Northern Ireland) 2011, namely ensuring probity, whilst providing significant improvements in remuneration, financial support, and resources for MLAs.

It only remains for me to wish you and the Commission well for your work in the 2016 mandate.

Yours sincerely



PAT McCARTAN
Chairperson