

**MINUTES OF THE MEETING OF THE INDEPENDENT FINANCIAL REVIEW
PANEL AT 10AM ON
FRIDAY 23 JANUARY 2015 IN ROOM 241 PARLIAMENT BUILDINGS**

Present: Mr Pat McCartan, Chairperson
Mr Alan McQuillan
Dr Etta Campbell

In attendance: Mrs Cathy McGowan, Ms Marion Johnson, Dr Robert Barry was present for Item 6, Mr Richard Stewart and Mrs Louise Anderson were present for Item 7, Mr Hugh Widdis and Mr Jonathon McMillan were present for Items 8 – 10.

1. APOLOGIES

No apologies were noted for the meeting.

2. DECLARATION OF INTERESTS

Mr McQuillan declared an interest in relation to Item 7.

3. MINUTES OF PREVIOUS IFRP MEETING

The minutes of the meeting held on 10 December 2014 were agreed without amendment.

Action:

- *Minutes to be forwarded for publication on IFRP Website.*

4. MATTERS ARISING

4.1 Consultation on the Employment of Assembly Members' Staff

The Panel noted that three responses had been received in relation to the consultation on the employment of Assembly Members' staff. The Chairperson highlighted that he had agreed to hold a meeting with Mr S Agnew MLA to discuss his response to the document and he would provide an update to the Panel when the meeting had taken place.

4.2 Issues arising from the BBC Spotlight Programme

The Panel noted the Schedule of BBC Spotlight issues provided. The Chairperson informed the Panel that the Assembly Commission had considered the matter at their recent meeting on 21 January 2015 and had agreed to defer consideration to their meeting in February 2015. In advance of further communication from Officials, it was agreed that Mr McQuillan would analyse the BBC script to determine any matters which would be of further interest or relevance to the Panel.

Action:

- *Mr McQuillan to provide the Panel with his analysis of the issues arising from the BBC Spotlight Programme.*

5. **STORMONT HOUSE AGREEMENT**

The Panel considered the research paper provided, namely 'Opposition, community designation and D'Hondt', but agreed that the matter should not be progressed until an implementation plan for the Stormont House Agreement had been developed and shared by the Executive.

The Panel agreed that further information should be sought in relation to the Financial Assistance to Political parties Scheme (FAPP) 2007, including a breakdown of expenditure for the previous financial year.

Actions:

- *Copy of FAPP Scheme 2007 and Assembly guidance to be forwarded to Panel Members;*
- *Breakdown of FAPP expenditure claimed during previous financial year to be sought from Finance Office; and*
- *Further detail on process for claiming FAPP to be sought from Finance Office.*

6 **CONSULTATION ON SALARIES AND ALLOWANCES**

Dr Barry joined the meeting at 10.24am

The Panel discussed the specification for research requirements relating to their future consultation exercise on Members' Salaries and it was agreed that Dr Barry would provide some initial updated information in line with the data provided within the Report of IFRP (March 2012) for the next IFRP meeting on 6 February 2015.

The Panel also discussed research requirements relating to Members' Allowances and agreed that information would be sought from the Finance Office on average expenditures by individual Member and Party in relation to each of the smaller allowances under OCE.

Dr Barry left the meeting at 10.57am.

Actions:

- *Dr Barry to provide updated statistics for consideration at the IFRP meeting on 6 February 2015;*
- *Dr Barry to provide a research paper in line with the agreed specification relating to Members' Salaries;*
- *Expenditure data to be obtained from Finance Office and shared with Research to develop a profile of average expenditure by MLA and Party in relation to each of the smaller allowances under OCE.*

7 **PENSION MATTERS**

7.1 **Members' Pensions**

The Panel considered the information provided relating to accrual rates and age for the Members Pension Scheme and noted a copy of the Report from the Government Actuary's Department (12 January 2015).

Mr Stewart and Mrs Anderson joined the meeting at 11.14am

The Panel confirmed that they were content with the current funding levels within the Members' Pension Scheme for the remainder of the current Mandate. Following discussion, the Panel agreed that a short paper would be considered at a future meeting clarifying proposals for the introduction of a revised scheme from 2016. The Chairperson further highlighted that the Panel would be happy to meet the Pension Trustees if required.

7.2 Members' Support Staff Pension Arrangements

The Panel considered the draft specification for the engagement of an adviser to assist with the development of a scheme compliant with the Pensions Act 2008, which would facilitate the auto-enrolment of members' support staff.

Following discussion in relation to clarifying the roles and responsibilities between the Panel and the Assembly Commission, it was agreed that the procurement terms of reference would be revised to highlight the role and functions of the Panel. The Panel sought reassurance on the requirement to go to tender and it was agreed that further information would be provided to the next meeting in this regard. The Panel also sought further information in relation to the costs of procuring a Pensions Consultant within the Welsh Assembly.

Mr Stewart outlined the expected timescales and it was agreed that following amendment of the Terms of Reference, Mrs Anderson would proceed with the procurement exercise in line with the Panels direction.

The Panel also requested an analysis from the Finance Office in relation to weighting the administrative burden for finance staff addressing expenditure incurred under OCE.

Mr Stewart and Mrs Anderson left the meeting at 12.07pm

Actions:

- *Mrs Anderson to provide a brief paper clarifying proposals for a revised scheme for introduction in 2016;*
- *Terms of Reference to be revised to highlight the lead authority as the Independent Financial Review Panel;*
- *Revised Terms of Reference to be forwarded to Mrs Anderson to take forward the procurement process;*
- *Mrs Anderson to provide written assurance on the requirement to go to tender for a Pension Consultant;*
- *Mrs Anderson to provide detail of costs in relation to the procurement of a Pension Consultant in the Welsh Assembly; and*
- *Mr Stewart to provide an analysis of administrative burden placed on finance staff.*

8. EXCEPTIONAL DETERMINATION 2015

Mr Widdis and Mr McMillan joined the meeting at 12.26pm

Mr Widdis drew the Panels attention to his legal advice in relation to the drafting of an exceptional Determination and sought the Panel's instructions in relation to several policy queries to assist him in finalising an Exceptional Determination. The Panel considered each of Mr Widdis' queries and agreed that a further draft of the Determination, as per their instructions, would be made available for consideration at their next meeting on 6 February 2015.

Dr Campbell left the meeting at 1.25pm

Actions:

- *Determination to be updated as instructed and considered by IFRP at their next meeting on 6 February 2015.*

Mrs McGowan left the meeting at 2.20pm

9. PREPARATION FOR 2016 DETERMINATION

Mr Widdis drew the Panel's attention to his note relating to the preparatory work required for the development of a 2016 Determination and the time that would be required in order to convert final policy into a draft determination. Following discussion in relation to proposed content and main policy intentions, the Panel agreed in principle that Mr Widdis should explore the costs involved in the procurement of an outsourced drafting service to assist the Panel with their work and that it aimed to deliver final policy instructions at the end of March.

Actions:

- *Mr Widdis to explore options and costs for the use of external drafting service*

10. IFRP BUDGET 2015-16

The Panel agreed to defer this matter for consideration to their next meeting.

Action:

- *Add Item to Agenda for 6 Feb 15*

Mr Widdis and Mr McMillan left the meeting at 3.05pm

11. REFERENCE DOCUMENTATION

It was agreed that a copy of the 'Scheme for the provision of Secretarial Assistance for Members who are not Office Holders (March 2011) from the Houses of the Oireachtas would be forwarded to Panel Members for information. The Panel noted that Mr S Mooney from the Houses of the Oireachtas had agreed to attend a future IFRP meeting.

The Panel noted a copy of the Ministers Budget Statement and a breakdown of Assembly Members Expenses for April – Sept 14.

12. CORRESPONDENCE

The Panel noted correspondence received and issued from its last meeting in December 2014.

13. ANY OTHER BUSINESS

13.1 Schedule for future meetings

The Panel noted the revised schedule for future IFRP meetings and proposed Liaison meetings with Secretariat Officials and agreed to approve by correspondence.

13.2 Standards and Privileges Committee

The Chairperson informed the Panel that he had received an invitation to meet with the Chairperson of the Standards and Privileges Committee in advance of a full meeting with the Committee in late February 2015. It was agreed that further information would be sought for Committee Officials in relation to the request.

13.3 Media Request

The Panel noted a request from Mr Gordon seeking information in relation to the recent consultation exercise on Members rental costs. It was agreed that a draft response would be prepared for clearance by correspondence.

Actions:

- *Schedule of future meetings to issue to IFRP Members for agreement by correspondence;*
- *Further detail to be sought from Clerk to Standards and Privileges Committee in relation to the Committees invitation to the Panel to attend their next Committee meeting; and*
- *Draft response to Mr Gordon to be prepared.*

14. DATE OF NEXT MEETING

It was agreed that IFRP would hold their next meeting on Friday 6 February 2015 at 10.00am in Room 241.