

# Section 2: Resources

## Background

**2.1** During the period of the Shadow Assembly (June 1998 – Dec 1999) the Assembly Commission operated under the direction of the Secretary of State and did not have its own delegated budget. The Commission was required to consult with, and secure the agreement of, the Department of Finance and Personnel and the Northern Ireland Office for the drawing down of resources for all of its spending requirements.

**2.2** At an early stage the Assembly Commission realised that it needed to take steps to secure the necessary resources to make provision for the Assembly when devolution occurred. The only available baseline was a grossly inaccurate estimate of £14 million, which in no way reflected the requirements of a fully functioning legislative Assembly and was based on the operation of the 1996 – 1998 Northern Ireland Forum for political dialogue, a deliberative body which ran in parallel to the “Talks” process. The Assembly Commission realised the inherent dangers of allowing the Assembly and the Northern Ireland electorate to believe that £14 million represented a realistic assessment of what the Assembly, once it was fully established, would need to meet the commitments set out in the Belfast Agreement and the provisions of the Northern Ireland Act 1998.

## Research

**2.3** The Commission set about the task of understanding what was the real cost of establishing the corporate infrastructure to support the Assembly, and it was opportune that some of its members had a detailed understanding and experience of arrangements at Westminster.

**2.4** Research was commissioned to establish what resources and support arrangements are made available to national and regional Parliaments /Assemblies in the UK and Europe. The Commission met with the Scottish Consultative Steering Group who were responsible for putting in place the corporate structures required for devolution in Scotland in 1999. This meeting was particularly helpful, as Scotland was dealing with the very same issues which the Commission needed to address. The Commission also spent an intensive two days at Westminster meeting with key officials and members of the House of Commons Commission to finalise its thinking on what services and staffing levels the Assembly would require once powers were devolved. Finally, in conjunction with the Assembly Secretariat’s senior management, the Commission produced the Assembly’s first Estimates, totalling £36 million.

## Assembly’s Estimates

**2.5** On 22 February 1999 the Commission brought a detailed report to the Assembly to support the Assembly’s Estimates, which, after lengthy debate, was unanimously endorsed by the Assembly. The Commission made it clear that the £36 million baseline would only be required by the Assembly once it was fully established and that, in the interim, the Commission had put in place monitoring arrangements to ensure that any underspend would be returned to the Executive for reallocation to other spending priorities. The Commission also informed the Assembly that there would be some substantial “one-off” start-up costs which could be financed within the Assembly’s £36 million budget.

**2.6** Subsequently, in September 2001, the Assembly Commission secured at a cost of £9 million the purchase of Ormiston House and 13 acres of land, which will be developed to meet the long-term accommodation needs of the Assembly. The purchase was financed out of the Assembly's budget, without the Assembly Commission needing to seek additional in-year funds.

### The Challenge for the Assembly

**2.7** Not unexpectedly, there was a very public reaction to the £36 million baseline at a time when the restructuring of central government had resulted in an increase from six to eleven Government Departments. There was a lot of concern that money was being diverted away from key public services. It is important to clarify in this first report of the Assembly Commission the very separate roles of the Executive, led by the First Minister and the Deputy First Minister, and those of the Assembly. The Executive, supported by the eleven Government Departments, is charged with responsibility for the delivery of high-quality public services. The Assembly has been elected to scrutinise and, where appropriate, amend legislation and policies brought forward by the Executive.

**2.8** In effect, the Assembly acts as the Government's regulator, on behalf of the electorate, and therefore the Assembly's expenditure of £36 million needs to be seen in the context of its scrutiny, on behalf of the public, of the Executive's overall budget of £6.3 billion.

### Financial Accountability

**2.9** Having secured the resources required for the Assembly, the Commission then set about the task of putting in place accountability systems. The Speaker and senior Assembly Officials met with the Northern Ireland Audit Office to seek advice on how best to manage the Assembly's financial operations and to ascertain what evidence the Comptroller and Auditor General would be seeking in any future examination of the Assembly's accounts.

**2.10** At an early stage the Commission secured the secondment of an internal auditor to ensure that financial accountability and best value for money is being achieved. From April 2001 the Assembly moved to resource accounting, which means that the Commission is able to establish the true cost of delivering the key parliamentary services. The Commission recently appointed a Head of Procurement, whose role is to develop and implement procurement policies and procedures across the organisation, influence strategic decisions and take overall responsibility for the procurement of high value goods and services. The Commission is committed to conducting its business in an open and transparent manner and recently agreed to publish information on the Assembly's web site on the allowances claimed by individual Members, in line with arrangements adopted by the Scottish Parliament.

**2.11** The Assembly accounts for the years 1998-99, 1999-00 and 2000-01 have been signed off by the Northern Ireland Audit Office.