



A Finance Office Guide for Members Leaving the Assembly

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1. Key Steps – Overview

- 1.1. The purpose of this guidance is to assist Members who are leaving the Assembly, by outlining the arrangements for winding up your Assembly business. The guidance includes details of the administrative arrangements for your pay, allowances and expenses, including the pay arrangements and contractual employment matters that should now be considered for your employees.
- 1.2. Outlined below are the key steps to winding up your Assembly business:
 - Meet with Finance Office team, at the earliest opportunity, to discuss what you need to do;
 - Issue notice on all contractual liabilities to suppliers and service providers (leases/equipment). This includes serving notice to your landlord;
 - Issue redundancy notices to your employees;
 - Complete and submit a Employee Leaver notification form (**L1**) for each of your employees;
 - Complete and submit a Member support staff redundancy notification (**RD1**) form;
 - Submit outstanding Constituency Office Expenses claims;
 - Complete and submit the (**MF12**) form, with travel record of journeys to the Assembly (Parliament Buildings);
 - Return all paper/envelopes/compliments slips bearing the NI Assembly logo to Office Resources;
 - Settle any recoupments owed to the Assembly Commission (the Commission);
 - Return all IT equipment supplied by the Assembly;
 - Note the date your winding up period ends and ensure all expense claims are submitted; and
 - Complete and submit the final (**MF15**) form to the Finance Office to confirm that you have completed winding up your Assembly business.

2. Introduction

- 2.1. It is recognised that Members may leave the Assembly for a variety of reasons and this guidance has been prepared to cover common circumstances that may occur during the course of a mandate. It is important to note that different arrangements exist if you are leaving prior to, or following an Assembly Election. As such, separate guidance for Elections is available from the Finance Office. In **all** situations it is recommended that you contact the Finance Office at the earliest opportunity to discuss your individual requirements, either before or after your resignation has been notified to the Speaker's Office. A member of staff from the Finance Office will also arrange to meet with you to discuss in more detail the practical arrangements that may need to be considered as you seek to wind up your Assembly business.
- 2.2. Financial support to Members and outgoing Members is available under the provisions of the Assembly Members (Salaries and Expenses) Determination

(Northern Ireland) 2016 (the Determination), as amended by: (i) The Assembly Members (Salaries and Expenses) (Present period when there is no Executive) Determination (Northern Ireland) 2018, and (ii) The Assembly Members (Salaries and Expenses) (Period when there is no Executive) (EU Exit) Determination (Northern Ireland) 2019.

- 2.3. For the avoidance of doubt, the purpose of financial support is to reimburse Members and outgoing Members for expenditure wholly, exclusively and necessarily incurred in carrying out Assembly functions and in winding up Assembly business. Party political activities or activities undertaken by outgoing Members relating to new career opportunities are totally excluded from these arrangements.
- 2.4. It is imperative that you and your employees are familiar with the administrative implications of your resignation and that you are aware of what actions must now be taken. A copy of this guidance, appropriate claim forms and declarations are available on the Finance Office's pages on AssISt.
- 2.5. There are a number of references throughout this guidance document to recovery of overpaid amounts. Paragraph 43 of the Determination (as amended) provides for the recoupment of overpaid salary, expenses, allowances or support staff costs. This paragraph includes the provision for the deduction of overpaid amounts from any future amount to be paid to an outgoing Member under the Determination (as amended). If an overpayment has occurred, this amount will be notified to you in writing. Repayment of the overpaid amount should be made during the three-month period after you cease to be a Member. If the overpaid amount is not paid during this time, it will be deducted from any amounts outstanding at the end of the period. Failure to make such payments will result in the initiation of legal proceedings to recover the amount in full.
- 2.6. **If you have any questions on any aspects of the information contained within this guide, please do not hesitate to contact the Reporting & Compliance Manager in the Finance Office on 028 90 521694.**

3. Salary

- 3.1. Your salary will be paid on a pro-rata basis up to and including the date of your resignation.
- 3.2. In line with normal policy it will be paid into your bank account automatically three working days prior to the calendar month end. Therefore, if your resignation is not received prior to payroll being processed and submitted to the banking system an overpayment may occur and in accordance with paragraph 43 of the Determination (as amended) recoupment will be sought.
- 3.3. It is recognised that Members may resign to take up other elected roles and offices. A number of specific arrangements exist depending on the role that is to be undertaken. It is recommended that you contact the Finance Office directly to discuss your individual circumstances.

4. Travel Allowances

- 4.1. Travel allowances are payable under two headings:

- 4.2. Annual Constituency Travel Allowance is payable monthly to Members for travel within the constituency and is payable up to and including the date of resignation. Where your resignation occurs part way through a month the monthly allowance due will be calculated on a pro-rata basis and if there has been an overpayment, recoupment will be sought in accordance with paragraph 43 of the Determination (as amended).
- 4.3. Annual Assembly Travel Allowance is payable monthly to Members for travel from the constituency to the Assembly (Parliament Buildings). This allowance is also payable up to and including the date of resignation. Where your resignation occurs part way through a month the monthly allowance due will be calculated on a pro-rata basis. It is also important to note that under the provisions of the Determination (as amended) the payment of ATA is dependent on a minimum number of days attendance at Parliament Buildings being achieved, currently 100 or more days a year. The minimum number of days required for attendance will be calculated on a pro-rata basis up to and including the date of your resignation.
- 4.4. Following notification of your resignation, you will be required to complete a compliance declaration form (**MF12**). This form is primarily to certify that you have complied with all aspects of the Determination (as amended). However, it also provides you with the opportunity to declare if you have achieved the minimum attendance required for this allowance and if not, how many days you have actually attended. When this form is issued to you it will be automatically populated with the minimum number of days attendance required. In accordance with current requirements you must complete this declaration and submit it to the Finance Office along with supporting evidence of attendance.
- 4.5. If the number of days attended is less than the minimum required, recovery of 1% of the allowance will be sought for each day less than the minimum. Any balancing amount of allowance payable will be processed in your final salary payment through payroll.

5. Resettlement Allowance

- 5.1. Entitlement to the Resettlement Allowance only occurs if a Member chooses not to stand, or is not returned, at an Assembly Election. If you resign during a mandate for any reason other than as a result of an Assembly Election, then the Resettlement Allowance is **not** payable.

6. Ill-Health Retirement Allowance

- 6.1. If, however, your resignation is due to ill-health, under the provisions of paragraph 29 of the Determination (as amended) you may be entitled to an Ill-Health Retirement Allowance.
- 6.2. In order to qualify for Ill-Health Retirement Allowance paragraph 29 (1) (b) of the Determination (as amended) sets out a number of additional requirements that must be met. Satisfactory evidence from a medical practitioner specialising in occupational health must confirm that your ill-health prevents you from adequately performing your functions as a Member, and you must not intend to seek re-election to the Assembly at a future date.
- 6.3. This allowance must be applied for; it is not paid automatically. In order to make an application for this allowance, you must write to the Commission ensuring that

all of the criteria in Paragraph 29 are met. The Finance Office will then arrange an appointment with the medical practitioner appointed by the Commission. Following this consultation, the Commission will consider the medical report before reaching its final decision. If the relevant criteria are met and the application is approved, the allowance is one month's salary for each completed year of service, subject to a maximum of 6 month's salary. Resettlement and Ill-Health allowances will only be paid once the final declaration (**MF15**) is received by the Finance Office.

EXPENSES

7. Constituency Office Expenses

- 7.1. Constituency Office Expenses (COE) are divided into three categories, (i) rent; (ii) rates; and (iii) Constituency Office Operating Expenses (COOE) (which are defined in paragraph 16 of the Determination (as amended)). All three categories are payable for expenses incurred and invoiced up to and including the date of your resignation. Invoices received after your resignation may still be submitted, however to be processed out of COOE they must be dated up to and including the date of resignation. Any invoices received and dated after the date of your resignation will be considered for admissibility under the category of Winding Up Expenses (WUE) which is discussed separately below.
- 7.2. As you will be aware the maximum amount of COOE that may be claimed is £4,900 per year. Therefore if you resign during a year the maximum amount of COOE that may be claimed is calculated on a pro-rata basis up to and including the date of your resignation. Following your resignation you will be provided with a COOE status report which will detail the expenses claimed and paid up to and including the date of your resignation. This will also include a note of the maximum amount of COOE allowable. Where an overpayment has occurred, recoupment will be sought under the provisions of paragraph 43 of the Determination (as amended). If there are insufficient funds available to meet further claims, the claims may be returned to you unpaid.
- 7.3. While rent and rates may continue to be claimed for a period of three months from the date of your resignation, **it is important to note that these will be paid from WUE, which is limited to £4,500.** It is recommended that you review the terms of your lease at the earliest opportunity, to ensure that the contractual obligations regarding notice periods, dilapidation costs etc. are fully met. As soon as practicable you should notify the Finance Office of the date by which you intend to vacate your constituency office. This will help to ensure the correct amount of rent is paid.
- 7.4. It is recognised that rates are normally paid annually in advance, however, as they are intrinsically linked to the amount of rent recovered, the maximum amount that may be recovered will have to be recalculated on notification of your resignation. As soon as practicable after your resignation you must notify the Finance Office of the date by which you intend to vacate your office. Once the Finance Office has received this, the maximum amount of rent and rates recoverable will be calculated. As rates are limited to 40% of rent recovered it is likely that an overpayment will occur for which recoupment will be sought. All

recoupments must be paid to the Finance Office prior to completing and submitting the final declaration (**MF15**).

- 7.5. If the new co-opted Member rents the same office, a transfer of the cost of rates may be arranged. If this is the case, please contact a member of the Finance Office to discuss these arrangements. If, however, the office is not going to be used by the co-opted Member, you should contact the Land & Property Services (LPS) to arrange a refund of any pre-paid rates. The refund may then be offset against any recovery being sought by the Finance Office. It is important to note that recoupment of a remaining balance of rates overpayment is a matter for you as an individual.
- 7.6. Please note that your office must not be used by anyone else, including the co-opted Member whilst rent is being paid on your behalf. Similarly, the office must only be used in connection with winding up your Assembly business. It must not be used for any other purpose, including any activity associated with any other professional interest you may personally have.
- 7.7. A declaration regarding expenses claimed under COE has to be made by fully completing a (**MF12**) form and forwarding to the Finance Office at the earliest opportunity following your resignation.

8. Winding Up Expenditure (WUE)

- 8.1. WUE is a category of financial support available to you as an outgoing Member of the Assembly. It is designed to assist in meeting the necessary expenses incurred in winding up your Assembly business. The financial support must be claimed; it is not paid automatically.
- 8.2. The maximum amount of WUE that may be claimed is £4,500. Generally, WUE is provided to cover on-going operational contractual obligations such as office rental costs, rates, postage, stationery, telephones and utilities paid during your winding up period. In this regard, it is similar to admissible COE costs. However, it is recognised that, exceptionally, costs may arise that are outside the scope of normal operational costs. These may be allowed from WUE only if they are wholly and necessarily incurred in relation to winding up your Assembly business. This may include costs associated with terminating contractual arrangements with the landlord or utility providers, furniture removal, sign removal, shredding or reasonable costs incurred in restoring the office to a pre-lease condition. For the avoidance of doubt, dilapidation costs of this nature will only be admissible where there is an express contractual requirement on you to return the office to a state ready for renting.
- 8.3. WUE is limited to expenditure incurred during the three months following the date of resignation. At the end of the winding up period, you will have a further two months during which all final claims in respect of the winding up period must be submitted. Once the final WUE claim has been submitted, and all of your contractual obligations to employees are fulfilled, an appropriate declaration has to be made (**MF15**). This declaration confirms that you have made all of the necessary arrangements to wind up your Assembly business. After this final declaration has been made no further claims will be accepted and all claims will be returned unpaid. It will then become your responsibility to settle all expenses.
- 8.4. WUE can be claimed using the Direct Payment, Reimbursement and Sundry Expenditure forms in the same way that COOE was previously claimed.

- 8.5. To enable you to effectively utilise the WUE, the Finance Office will send you a projection of anticipated costs, giving a breakdown of committed expenditure and the projected balance for the three month winding up period. This will be produced on the understanding that the commitments for rent and rates will remain at pre-winding up levels.
- 8.6. It may be helpful to note that any office equipment you have purchased through COOE or Establishment Costs remains your property after resignation and should be used in the constituency office to assist with winding up the Assembly business.
- 8.7. You are also asked to note that during a period of winding up, stationery and office consumables purchased from Office Resources may continue to be used. However, these must only be used to wind up the Assembly business; they cannot be used to issue any circulars or final constituency-wide letters. Stationery which includes the Assembly logo, including letterheads and pre-paid envelopes, however, **must not** be used and any such items should be returned to Office Resources.
- 8.8. Cover under the terms of the Assembly's insurance policy for Employer's and Public Liability insurance remains in place during the period of winding up but only in so far as you are concluding your Assembly business.

9. Disability expenses

- 9.1. A disability expense is an expense incurred by a Member or outgoing Member which is wholly and necessarily attributable to a disability the individual has.
- 9.2. If you are claiming this category of expense it can continue to be paid for up to three months following the date of your resignation. However, it may be helpful to note, it is not an automatic entitlement, it has to be claimed.
- 9.3. It can only be claimed during the winding up period for costs actually incurred. Therefore, particularly where the expenses claimed are to cover salary costs, you must notify the Finance Office as soon as costs cease to be incurred.

10. Support staff costs

- 10.1. Support staff costs may continue to be paid for existing employees for a period of three months following the date of your resignation. Payments can only be made for employees working on winding up your Assembly and constituency business. Employees must not work on any other activity while they continue to be paid for contracted hours. This includes any party political activity, working for another member or party councillor, or on any activity associated with any other professional interest you may personally have.
- 10.2. As you will be aware, the maximum amount of support staff costs that may be recovered is £50,000 per annum. Following your resignation the maximum amount that may be recovered for support staff costs will be calculated on a pro-rata basis up to and including the end of the winding up period.
- 10.3. Please note that the apportioned amount of allowance has to include all "Category 1" staffing costs, including basic pay, statutory payments, pay in lieu of notice and payments for unpaid holidays. However, the cost of any statutory redundancy payments are paid from "Category 3 – Ancillary Support Staff" costs

as set out in the Determination (as amended). These are not charged against the apportioned “Category 1” limit.

- 10.4. Statutory dismissal procedures require you to notify your employees as soon as practicable that their post will become redundant following your resignation. Separate guidance which deals specifically with redundancy matters is available on both AssiSt and the Assembly external website at:

<http://www.niassembly.gov.uk/your-mlas/financial-support-to-members-and-political-parties/>

or from the Finance Office. This guidance is accompanied by a Key points guide, outlining the key steps to be taken prior to or following your resignation to ensure all of your employer contractual obligations are fulfilled in a timely manner.

- 10.5. For each employee you must complete and return a Leaver Notification Form **(L1)** and a Support Staff Redundancy Notification Form **(RD1)**. In order to assist with processing these forms and to avoid unnecessary overpayments, these should be completed and submitted as soon as practicable; you do not have to wait until the effective date of your resignation to do so.
- 10.6. For further advice on these specific forms and how they should be completed to notify the Finance Office of your intentions regarding employee notice periods etc. or to get help and assistance on statutory redundancy payments, please contact the Payroll Manager in the Finance Office on 028 905 20362.

11. Finance Office Contacts

Finance Office Key Contacts			
Head of Finance	Paula McClintock	Room 429, Parliament Buildings, Ballymiscaw, Stormont Estate, Belfast BT4 3XX.	T: 028 90 5 (21258) Mob: 07917850621
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