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Dear Tom.

Thank you for your letter of 7 September about the funding and activities of the European Research Group (ERG).

As you know, IPSA's Scheme of MPs' Business Costs and Expenses allows MPs to claim the cost of subscriptions to pooled services which provide research and briefing support to MPs. The ERG is one of five pooled services that are subscribed to by MPs using IPSA funding. It is unique in that it provides services focused on a single topic, rather than on a range of topics, but it is not the only one with a 'closed' membership. The other four pooled services are each associated with a single political party and membership is limited to MPs of that party. The MPs of the Liberal Democrat party, for example, including you, subscribe to the Parliamentary Support Team (PST) for research and briefing services.

MPs' claims for subscriptions to pooled services, as with all other claims made by Members of Parliament, must adhere to the fundamental principles and rules of the Scheme. This means that they must support MPs' parliamentary work and cannot relate to party political or campaigning.

Information on the MPs who have claimed for ERG subscriptions is publicly available as part of the published data on our website. In the 2017-18 financial year, there were 18 MPs who made such claims, at a total cost of £36,000.

To assure Parliament and the taxpayer that IPSA's money is spent within the rules, we periodically review expenditure on pooled services. The last such review was in 2016 when which we looked at the amounts claimed by MPs for each pooled services, examined the governance structures and internal controls in place, and assessed the eligibility of the materials produced. This included checks for party-political language or other ineligible content which could be considered 'work for or at the behest of a political party' or campaigning activity, in contravention of the rules of the Scheme.

All of the ERG research materials we examined as part of that review were broadly critical of the European Union and its activities, and provided arguments and evidence to support the position that the UK should leave the European Union. However, we also found the materials to be factual, with statements supported by data or other sources, and on the whole free of emotive language. Although clearly supporting a particular political position, the materials were not party political in nature. In fact, the sample of materials examined during the review contained no references at all to any political parties. We therefore concluded that the services provided by the ERG were eligible under the Scheme. The report of this review is on our website: http://www.theipsa.org.uk/publications/assurance-reports/.

Subsequently in 2017, given concerns raised in the media about the activities of the ERG, we conducted a further review to seek additional assurance regarding the materials produced since the 2017 General Election. There was some party-political language identified in just one briefing in the sample, which was raised with the ERG to remind them that this is not considered eligible under IPSA's rules. The vast majority of the material, on the other hand, was factual, informative and not in conflict with the Scheme.

We have been assured that subscriptions paid for by IPSA are used exclusively to fund the research services discussed above. We continue to be in contact with the ERG to ensure ongoing compliance. We have also committed to further, regular assurance reviews of their materials and those of other pooled services.

I would nonetheless be happy to discuss these issues with you and colleagues, should you wish.

Yours sincerely,

march.

Marcial Boo