

Administrative and Office Expenditure

The AOE allowance is designed to provide for facilities, equipment, supplies and services for Members and their staff.

This includes:

- Accommodation for office and surgery use or for occasional meetings
- Equipment and supplies for the office or surgery
- Work commissioned and other services
- Certain travel costs not met out of travel expenditure

Issues:

- The scheme does not prescribe what can and cannot be claimed under the allowance. Instead it indicates the type of claims which might be appropriate. This leaves the ultimate decision to Department of Resources staff creating issues around consistency of decisions.
- MPs can choose which supplier they would like to provide a service and instruct the Department to pay directly to that supplier, extensive checks are made on the legitimacy of that supplier.
- MPs receive £50 petty cash per month which does not require receipts (unless a single expenditure is over £25).
- Leases need to be checked by the Department staff to ensure they are not for significantly long terms (e.g 16 years for an office in a constituency where the Member doesn't hold a high majority).
- Where the MP uses their home as an office there is a risk that duplicate payments can be made/claimed for alongside PAAE (phone bills, utilities etc).
- Members can transfer as much funding from their AOE allowance to their Staffing and Communications Allowance as they wish.
- Issues can arise where a Member rents a property from political party premises, largely on ensuring a market rate is paid.
- Cost of office leases vary considerably from constituency to constituency.
- The House provides centrally procured IT packages for each MP, distinct from their AOE allowance.

Suggested reforms from evidence given at the CSPL review have included:

- Those who choose not to rent a constituency office should have a fixed increase on their salary.
- Office lease agreements should be independently assessed,
- Independent valuations should be made on the lease agreement to ensure they reflect market rent.
- Office equipment should not be centrally procured and supplied in the same way as IT.

Communication allowance

Communications Expenditure is designed to help Members communicate proactively with their constituents about their work in furtherance of their parliamentary duties.

The allowance may be used to meet expenses for:

- Regular reports and constituency newsletters; questionnaires, surveys and petitions.
- Contact cards
- Distribution costs
- Advertising of surgeries and constituency meetings
- Websites
- Some capital purchases

There is a general requirement to get approval from the Department for Resources before committing to expenditure above £1000 for productions and design costs.

No party political material is permitted in any part of a publication or website funded from the allowance.

Issues:

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- There is significant difficulty in ensuring compliance with the rules in the Green Book on political material. This is part due to the difficulty in monitoring websites (which can be updated at any time or regularly) and part due to the political awareness a member of staff needs in order to recognise political references (such as a photo with a local councillor of the same party)/.
- There is an argument that the Communication Allowance is biased towards the incumbent MP in a constituency, who have more funding to inform the public of their recent activities.
- The AOE allowance was originally used to pay for such publications and website maintenance and money can still be transferred from AOR into Communications allowance to top up.
- The original argument for introducing Communications Expenditure was that it would make it easier for the Department to identify and police expenditure on such items (as previously they could be funded by AOE)

The majority of suggested reforms from evidence given at the CSPL review strongly recommend abolishing the Communication Allowance.

Early leaks in the media have suggested that the CSPL will recommend abolishing Communication Allowance.