

Review of the MPs' Scheme of Business Costs and Expenses Consultation – November 2013

# REVIEW OF THE MPs' SCHEME OF BUSINESS COSTS AND EXPENSES

**CONSULTATION** 

**NOVEMBER 2013** 

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### FOREWORD BY THE BOARD OF IPSA

This is the fourth review of the MPs' Scheme of Business Costs and Expenses ('the Scheme'). In 2010, the newly created IPSA was charged with the challenging responsibility of putting in place a new scheme for setting and administering MPs' business costs and expenses. We made a commitment to set up a system that was fair, transparent and workable, achieved value for taxpayers' money, enabled MPs to carry out their parliamentary functions and, as a consequence, assisted in restoring public confidence in Parliament. The Scheme has succeeded in that objective – the rules are widely understood and observed, and the public can see exactly how MPs spend taxpayers' money.

While the Scheme is operating effectively, we are considering proposals for some minor adjustments as part of this review. This year, our primary aim is to refine the Scheme rules to ensure they remain appropriate. We remain mindful of the need to control costs, while conscious of the need to provide MPs with the support they require to carry out their parliamentary functions. This year's review will also be the main opportunity to ensure that the rules work in the lead up to the General Election: we do not plan to conduct another comprehensive review of the Scheme prior to May 2015. The main areas covered in this year's review include: election expenditure; reward and recognition payments for MPs' staff; and MPs' engagement of volunteers.

We also carry out thematic reviews to explore some areas of the Scheme in more depth, to ensure that our rules continue to be appropriate in the long term and deliver value for money. The first thematic review focused on MPs' staffing. The next is addressing MPs' accommodation, starting with office provision. We plan to conduct that review in 2014. We have also recently conducted a review of MPs' pay and pensions, including two public consultations. That review includes consideration of some changes to MPs' business costs and expenses. Any resulting changes will be implemented after the next General Election.

As always, we are keen to hear your views as part of this review of the Scheme. We invite you to respond to the questions set out in this consultation document or complete a short online survey on our website (www.parliamentarystandards.org.uk). We will take all responses into consideration and develop the Sixth Edition of the Scheme, which will come into effect from 1 April 2014.

Butterfield

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Wright

### INTRODUCTION

### **About the Independent Parliamentary Standards Authority**

- The Independent Parliamentary Standards Authority (IPSA) is the statutory body
  responsible for developing and administering a scheme for MPs' business costs and
  expenses as well as determining MPs' pay and pensions. We were established in 2009
  by the Parliamentary Standards Act ('the Act'), later amended by the Constitutional
  Reform and Governance Act 2010.
- 2. The MPs' Scheme of Business Costs and Expenses ('the Scheme') is intended to ensure that MPs are reimbursed for costs necessarily incurred in the performance of their parliamentary functions. It sets out a series of fundamental principles and rules within which MPs must operate, while still allowing them appropriate discretion over making claims.
- 3. The First Edition of the Scheme came into effect on 7 May 2010, following the General Election. The current edition of the Scheme (the Fifth Edition) came into operation on 1 April 2013 and will continue to apply until 31 March 2014. Following this review, we will launch the Sixth Edition of the Scheme to come into effect on 1 April 2014.

### Our reviews of the MPs' Scheme of Business Costs and Expenses

- 4. The Act requires us to review the Scheme regularly, and over the past three years we have done so annually to ensure that the rules and budgets are fair and workable. In doing so, we have consulted widely. We also carry out thematic reviews, exploring some areas of the Scheme in greater depth.
- 5. The first and second reviews of the Scheme in 2010 resulted in significant changes to the rules and to budgets. The second review focused on the provisions for MPs with caring responsibilities, the definition of the London Area,<sup>1</sup> and two separate office budgets one for office rent (the Constituency Office Rental Expenditure budget) and one for the costs of running the office (the General Administrative Expenditure budget). Following that review, we expanded the support for MPs with dependants, made changes to the definition of the London Area, and merged the two office budgets into the Office Costs Expenditure budget.
- 6. The review of the Scheme in 2011-12 focused on the provisions for MPs' staffing. We carried out a comprehensive review of the Staffing Expenditure budget, which included analysis of internal data, visits to MPs' constituency offices, and a public consultation. Following the review, we made significant changes, including a revised methodology for

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<sup>&</sup>lt;sup>1</sup> Schedule 2 of the Scheme sets out a list of the constituencies which currently form the London Area.

- calculating the budget limit, the introduction of different staffing budgets for London Area and non-London Area MPs, and significant budget increases for both.
- 7. The review of the Scheme in 2012-13 focused on the budget for those MPs renting accommodation in London. Following that review, which involved an analysis of independent rental data, we decided it would not be right to increase the rental portion of the budgets. We increased the associated expenditure portion of the budget (which covers utilities, council tax etc) to reflect inflation.
- 8. Over the past three years, we have placed increased responsibility on MPs for managing their business costs and expenses, while remaining mindful of the need to sustain public confidence in the system. We have offered MPs more discretion over the types of expenditure they can claim for and provided more flexibility within the Scheme.
- 9. In 2012-13 we paid out £98.1 million in MPs' business costs and expenses (of which £74.7 million was for MPs' staff salaries) and, in addition, we paid £48.2 million in salary costs for MPs.<sup>2</sup>
- 10. We publish the full details of individual MPs' expenditure under the Scheme on our publication website <a href="www.parliamentary-standards.org.uk">www.parliamentary-standards.org.uk</a>. A summary of MPs' recent expenditure can be found in Annex B of this document.

#### The 2013-2014 review of the Scheme

- 11. This year's review of the Scheme is primarily about refining the rules to ensure they remain fair, workable and transparent. In particular, this review will ensure that the rules are working well in the lead up to the General Election scheduled for 7 May 2015. The main areas covered in this year's review are election expenditure, MPs' engagement of volunteers and reward and recognition payments for MPs' staff. Most of the matters being considered have been identified through discussions with MPs, MPs' staff and interested parties, or as part of general election planning.
- 12. We intend that the budgets we introduce on 1 April 2014 will be in place for the full 12 month financial year. Barring unforeseen circumstances, we do not plan to conduct another comprehensive review of the Scheme prior to the General Election, but may review the budgets for 2015-16 and also implement any changes resulting from the review of MPs' accommodation. Therefore, this current review of the Scheme is the main opportunity to ensure that any changes necessary for the election period are in place.

<sup>&</sup>lt;sup>2</sup> All figures calculated based on IPSA's Annual Report and Accounts 2012-2013, page 68, which is available at <a href="https://www.parliamentarystandards.org.uk">www.parliamentarystandards.org.uk</a>. MPs' staff salary figures include salary costs, pension and employers' National Insurance contributions but exclude Winding-Up costs. MPs' salary figures include salary cost and National Insurance contributions.

13. In addition to the specific matters set out in this consultation, we will undertake our usual review of all of the budget limits contained in the Scheme. We will also ensure our guidance is comprehensive and up to date.

### Our review of MPs' pay and pensions

14. Alongside our responsibilities for administering MPs' business costs and expenses, we are responsible for reviewing and setting MPs' pay and pensions. We have recently conducted a review of arrangements for MPs' pay and pensions in the next Parliament, which included two public consultations. For further information on that review, please see our website <a href="www.parliamentarystandards.org.uk">www.parliamentarystandards.org.uk</a>. That review also considers some changes to MPs' business costs and expenses, and any resulting changes will be implemented after the next election in 2015.

### How to respond to this consultation

- 15. We invite responses to a series of questions about possible amendments to the Scheme. These questions are set out in the relevant sections of this consultation document and a complete list of questions can be found at Annex A.
- 16. The consultation runs from 20 November 2013 to 19 January 2014. Please ensure that you send your response before the closing date as responses received after 19 January 2014 may not be considered.
- 17. Responses should be sent to <a href="mailto:schemeconsultation@parliamentarystandards.org.uk">schemeconsultation@parliamentarystandards.org.uk</a>.

  Please include in the subject line "Scheme Consultation Response". Responses should be in plain text or rich text format, with as little use of colour or logos as possible. If you do not have access to email, you may send a hard copy of your response to:

Scheme Consultation Response
Independent Parliamentary Standards Authority
7<sup>th</sup> Floor, Portland House
Bressenden Place
London SW1E 5BH

18. Respondents may wish to note that <u>responses will be published in full, including your name (but not contact details), unless you indicate otherwise</u> when submitting your response to us. If you do not wish for your response to be published at all, either in full or anonymously, please state this clearly when sending us your response.

- 19. If you require a hard copy of the consultation document please email <a href="mailto:schemeconsultation@parliamentarystandards.org.uk">schemeconsultation@parliamentarystandards.org.uk</a> or write to us at the address above. We are also conducting an online survey on our website <a href="mailto:(www.parliamentarystandards.org.uk">(www.parliamentarystandards.org.uk</a>).
- 20. Following this consultation, we will review all the responses and use them to inform any revision of the Scheme. We will publish the Sixth Edition of the Scheme, along with a report on the consultation and an Equality Impact Assessment, in time for the 2014-15 financial year, beginning on 1 April 2014.

### **CHAPTER ONE: ACCOMMODATION EXPENDITURE**

- 21. Unlike the majority of people, who typically work in one location, MPs are required to work regularly in two locations: Westminster and the constituency. The Scheme recognises the distinctive nature of MPs' living and working arrangements. Under Chapter Four of the Scheme, eligible MPs are provided with an Accommodation Expenditure budget, which is designed to meet the costs of overnight accommodation necessarily incurred in the performance of an MP's parliamentary functions.
- 22. In practice, this means that eligible MPs<sup>3</sup> can choose either to claim rental expenditure in one location (the London Area or their constituency) or claim hotel costs.

  Alternatively, if they own their property, MPs may claim associated expenditure only.<sup>4</sup>

### **Definition of caring responsibilities**

- 23. An MP who is eligible to claim Accommodation Expenditure for rental costs may have his/her budget limit increased for each person for whom that MP has caring responsibilities, provided that each dependant routinely resides at the MP's rented accommodation. Paragraph 4.24 of the Scheme sets out the definition of MPs who will be deemed to have caring responsibilities for the purposes of the Scheme.
- 24. One of the criteria is that the MP is the primary carer for a family member in receipt of the Disability Living Allowance (DLA) at the middle or highest rate for personal care. The DLA assists adults over 16 with long-term ill-health or a disability. This allowance is being replaced for new claimants with the Personal Independence Payment (PIP).
- 25. We propose therefore to amend the Scheme to reflect these changes, by adding the PIP to the definition of caring responsibilities. As the PIP is received by new claimants only, we propose to retain the DLA as a criterion for caring responsibilities.

Question 1: Do you agree we should update the definition of MPs' caring responsibilities to include the Personal Independence Payment?

<sup>&</sup>lt;sup>3</sup> 'Eligible MPs' includes all non-London Area MPs who are not claiming the London Area Living Payment (LALP). Please see Chapter Five of the Scheme for more information on the LALP.

<sup>&</sup>lt;sup>4</sup> Associated expenditure includes utility bills, council tax and costs associated with a landline and broadband. A complete list of associated expenditure that is currently claimable is at paragraph 4.10 of the Scheme.

### **CHAPTER TWO: OFFICE COSTS EXPENDITURE**

26. The Office Costs Expenditure (OCE) budget is provided to meet the costs of renting, equipping and running an MP's office or offices and surgeries. It may only be claimed for costs associated with the performance of parliamentary functions. MPs may exercise discretion over claims for items that meet the purposes of the Office Costs Expenditure budget, provided that the claims meet the general conditions and the rules set out in Chapter Six of the Scheme. For 2013-14, the annual Office Costs Expenditure budget is £25,350 for London Area MPs and £22,750 for non-London Area MPs.

### Staff training and employment practice liability insurance costs

- 27. Claims for staff training and employment practice liability insurance both currently come from the Office Costs Expenditure budget. Some MPs have suggested that, as these costs could be considered direct staffing costs rather than costs of running an office, there may be advantages in allowing MPs the flexibility to claim these costs from either their Office Costs Expenditure budget or their Staffing Expenditure budget. We currently take a similar approach in allowing MPs the flexibility to claim for pooled staffing resources from the Office Costs Expenditure instead of the Staffing Expenditure budget if they expect their Staffing Expenditure budget to be exhausted.
- 28. Under the previous House of Commons arrangements, training for MPs and their staff was covered under the Staffing Expenditure budget. In May 2010, training costs were included in the new General Administrative Expenditure budget (now Office Costs Expenditure) as it was considered the best fit at that time.
- 29. We are now considering whether to allow MPs more flexibility over the budget from which they can claim staff training and employment practice liability insurance costs. Introducing such flexibility would not in itself require an adjustment to the overall budget levels.

Question 2: Should MPs have the flexibility to claim staff training and employment practice liability insurance costs from the Staffing Expenditure budget instead of the Office Costs Expenditure budget, if they expect that budget to be exhausted?

### **CHAPTER THREE: STAFFING EXPENDITURE**

30. Under Chapter Seven of the Scheme, all MPs are eligible to claim for Staffing Expenditure to meet costs incurred in the provision of staff (including apprentices and paid interns) and volunteers to assist with the performance of parliamentary functions. Staffing Expenditure may be used to meet costs including staff salaries, employers' National Insurance and pension contributions, reward and recognition payments, and the incidental expenses of volunteers. For 2013-14, the annual Staffing Expenditure budget is £144,000 for London Area MPs and £137,200 for non-London Area MPs.

### MPs' engagement of volunteers

- 31. In previous reviews of the Scheme, we have made it clear that it is up to individual MPs, as employers, to decide how best to staff their office within the budgets provided. There is no obligation on any MP to engage volunteers and it is not for IPSA to dictate how Parliament treats volunteers within its system.
- 32. However, the Scheme, supported by the model contracts for staff and the model volunteer agreement, should provide a framework for the fair treatment of all employees and volunteers, in line with best practice and relevant legislation. Since July 2010, we have provided MPs with more flexibility in how they fund their engagement of staff within their budgets.
- 33. The Scheme clearly differentiates between:
  - 'staff' (which includes 'interns' who are properly described in law as workers and thus must be employed on a contract and paid at least the National Minimum Wage, as well as 'apprentices'); and
  - 'volunteers' (those individuals who are not workers and therefore not entitled to be paid the National Minimum Wage, but who are entitled to claim for incidental expenses such as reasonable travel and food, and non-alcoholic drinks. This category includes 'unpaid interns').
- 34. It is the responsibility of MPs who engage volunteers to ensure that those individuals are truly volunteers and are not considered 'workers' under National Minimum Wage legislation. MPs must sign IPSA's model volunteer agreement with each volunteer who will be receiving incidental expenses and submit this to IPSA before any claims may be made. The Scheme is clear that volunteers should not be required to carry out specific duties for the MP. In legal terms, this means there is no 'mutuality of obligation': the MP has no obligation to provide work to the volunteer, and the volunteer has no obligation

<sup>5</sup> The model volunteer agreement is available at <a href="http://parliamentarystandards.org.uk/IPSAMPs/Pages/HR,-">http://parliamentarystandards.org.uk/IPSAMPs/Pages/HR,-</a>
<a href="Payroll,-Interns.aspx">Payroll,-Interns.aspx</a>. For context, in the financial year 2012-13, almost one-third of MPs registered volunteers with IPSA using the model volunteer agreement, and the total annual expenditure was £151,426.

- to undertake work. Should the nature of the work carried out by the volunteer change such that they would be classified as a worker, an MP has an obligation to contact IPSA and provide the volunteer in question with a contract of employment and pay him/her at least the National Minimum Wage.
- 35. Three years on, it is time to review the model volunteer agreement and rules and guidance we provide under the Scheme. The question of unpaid interns and volunteers is of growing interest, not just at Westminster, but across the economy. The Department for Business, Innovation and Skills (BIS) has been working with the Gateways to the Professions Collaborative Forum, which recently published an updated best practice code and guidance for internships.<sup>6</sup>
- 36. We have received a number of suggestions from MPs and interested groups on possible changes to the current arrangements. Some, such as Intern Aware, have suggested that a time limit could be specified for engagement of a volunteer, perhaps set out in the model volunteer agreement. Others have suggested that we could more clearly differentiate in our model agreement between particular groups of volunteers for example, between students on an unpaid internship directly associated with their studies, those undertaking short spells of work experience and those who are truly volunteers. Some MPs have also suggested that their Staffing Expenditure budget is not sufficient to allow them to have paid interns at the National Minimum Wage. However, we note that in 2012-13 we increased MPs' Staffing Expenditure budgets (by 25% for London Area MPs and 19% for Non-London Area MPs) thus providing MPs with greater flexibility than before in how they choose to staff their offices.<sup>7</sup>
- 37. At this stage, we do not take any particular view on the suggestions set out above, but we recognise that the issue of volunteers is a significant one. We welcome, therefore, any comments on matters relating to MPs' engagement of volunteers, including the model volunteer agreement itself and the rules and guidance we provide for MPs.

Question 3: Do you have comments on MPs' engagement of volunteers, including the model volunteer agreement and the rules and guidance we provide for MPs?

https://www.gov.uk/government/uploads/system/uploads/attachment\_data/file/251483/bis-13-1085-best-practice-code-high-quality-internships.pdf.

<sup>&</sup>lt;sup>6</sup> Common Best Practice Code for High-Quality Internships, The Gateways to the Professions Collaborative Forum, 21 October 2013, available at

For context, in 2012-13, 66% of MPs had enough funding remaining in their approved Staffing Expenditure budgets at year end to engage an intern for a year on the National Minimum Wage, had they wished to do so. We calculated the nominal amount required to do so to be £12,500, which represents the National Minimum Wage of £6.31 x 36 hours a week x 52 weeks a year = £11,812.32, plus National Insurance contributions of £487.20, which equals £12,299.52, rounded up to the nearest £500. We note, however, that some inner London MPs in particular are operating close to their budget limits so may not have as much flexibility.

### Reward and Recognition payments for MPs' staff

- 38. Paragraph 7.3f of the Scheme allows MPs to make reward and recognition payments (or gifts such as vouchers) to their staff members. This was designed to allow MPs, as the employers, to recognise excellent work by their staff. Our guidance states that the level of payments is left to the MP's discretion but they should be "modest". This term is not further defined. We explicitly do not allow reward and recognition payments to connected parties (e.g. MPs' family members) or the payment of bonuses. In addition, the total number of payments and total amount claimed by each MP for reward and recognition payments are published on our website annually. We plan to review our publication policy in the near future to ensure what we publish is appropriate.
- 39. The arrangements for reward and recognition payments, as they currently stand, could be open to misinterpretation and there is variable practice between MPs in payment levels. In the interests of ensuring value for money and emphasising that such payments should not be regarded as bonuses, we are now considering whether we should introduce a limit on reward and recognition payments. We are mindful that some staff members may also genuinely warrant more than one payment and it is important for MPs still to have a way to recognise excellent work.
- 40. There are several possible amendments to our rules we are considering to ensure value for money, including the following options.
  - Introduce a hard cap on the value of individual reward and recognition payments (for example, £50) and a limit on the number of payments each staff member can receive within a financial year.
  - Introduce a cap on the total value of reward and recognition payments to one staff member within each financial year.
  - Restrict reward and recognition payments to vouchers or gifts rather than payments through payroll, to help ensure that payments are modest.<sup>8</sup>
- 41. We welcome views on these suggestions, as well as other options.

Question 4: Should we introduce a limit on reward and recognition payments MPs make to their staff? If so, what would be the best option for restricting these payments and what should the applicable limit be? Should we restrict such payments to vouchers only?

<sup>&</sup>lt;sup>8</sup> We note that claims for vouchers or gifts would be liable for tax and National Insurance.

### Measures for staying within the Staffing Expenditure budget limit

- 42. MPs are responsible for managing their own budget and ensuring that they do not exceed the allocated budget limits. MPs are the employers of their staff members, not IPSA, and so they have discretion to choose how to manage their staff within the rules and budgets we set.
- 43. Forecasts of expenditure are already available to MPs to help them manage their Staffing Expenditure budget. We are now considering making explicit provision in the rules to prevent MPs from making commitments which would take them beyond their budget for the year. In particular, we could seek to ensure MPs do not engage new staff members, change existing staff members' hours or pay, or commit to pay overtime, where such changes would exhaust their budget before year end. We would welcome views on this matter.

Question 5: To assist MPs with managing their Staffing Expenditure budget, should we introduce a new rule to ensure MPs do not engage new staff members, change existing staff members' hours or pay, or commit to overtime where such changes would exhaust their budget before year end?

### Pension providers for MPs' staff

- 44. MPs are the employers of their staff. IPSA acts as the payroll administrator, processing all payments, including pension contributions for MPs and their staff.
- 45. Automatic enrolment in workplace pension schemes (also known as auto-enrolment) will legally require all employers automatically to enrol their employees into a pension scheme, and pay employer contributions towards it. For MPs' staff members, the staging date for auto-enrolment has been set at 1 March 2016 by the Pensions Regulator.
- 46. Given the administrative work involved in preparing for auto-enrolment, IPSA is taking the lead in facilitating this transition, on behalf of MPs. In line with the regulations for auto-enrolment, we will choose a preferred supplier of workplace pension schemes for MPs' staff. We will also carry out an assessment of any existing arrangements to ensure they also qualify and, where possible, we will honour such arrangements.
- 47. Under current arrangements (paragraph 7.20 of the Scheme), an MP's staff member may opt out of the default Portcullis Pension Plan and ask the MP to make contributions to any other pension plan if they prefer. We then process and make these contributions on behalf of the MP.

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<sup>&</sup>lt;sup>9</sup> The Pensions Act 2008 and corresponding Northern Ireland legislation gave the Pensions Regulator a new statutory objective to maximise compliance with employer duties (including the requirement to automatically enrol eligible employees into a qualifying pension provision and pay a minimum contribution).

48. In preparation for auto-enrolment coming into effect, we are considering limiting the range of pension providers we administer for MPs' staff to those in place already. We will keep the Portcullis Pension Plan as the default scheme in the next edition of the Scheme, but are considering adding wording to state that, if staff members choose to opt out and not use one of the providers we already administer, they will need to make their own private arrangements with other pension providers. This would assist in reducing any associated administrative burden and cost to the taxpayer, while still ensuring we honour any existing arrangements, to the extent this is possible. We could make these changes from 1 April 2014 or following the General Election.

Question 6: In preparation for pension auto-enrolment in 2016, should we limit the range of pension providers we administer for MPs' staff to those arrangements already in place?

## CHAPTER FOUR: WINDING-UP AND RESETTLEMENT PAYMENTS

49. Chapter Eight of the Scheme provides for MPs who leave Parliament to claim for the costs associated with the winding up of their parliamentary functions. It also sets out that MPs who lose their seat in the next General Election will be entitled to receive a resettlement payment in line with IPSA's interim policy. Specific provisions in relation to expenditure during a general election are set out at Chapter Ten of the Scheme, with proposed amendments to those rules at Chapter Six of this consultation document.

### **Resettlement payments for MPs**

50. In April 2012, following a consultation, IPSA introduced its interim resettlement policy in advance of our wider review of MPs' pay and pensions, to allow for the possibility of an early general election. <sup>10</sup> It mirrors the scheme available for members of the National Assembly for Wales. It is as follows:

MPs who lose their seats in a general election held before the next scheduled general election (under the Fixed-term Parliaments Act 2011) will be eligible to receive a resettlement payment in accordance with IPSA's resettlement payment policy. To qualify for a resettlement payment, an individual must have been an MP on the day before the dissolution of Parliament and a candidate for reelection for the same seat, but not have been re-elected. The amount of the resettlement payment payable is one calendar month's salary (at the rate payable to MPs immediately before the dissolution) for each completed year of service subject to a maximum payment equal to six months' salary.

- 51. This policy represented a move away from the House of Commons' rules for the 2010 General Election, when payments had been available to any MP who left the House of Commons at a General Election (for any reason) and could be as much as 100% of an MP's annual salary. We did not consider it appropriate to provide such generous payments or to fund MPs who decide to step down voluntarily.
- 52. As part of our review of MPs' pay and pensions, we have stated we will still provide MPs defeated at the scheduled 2015 General Election with a resettlement payment equivalent of up to six months' salary, in line with the interim policy set out above. We now need to reflect the interim policy within the rules under Chapter Eight of the Scheme. This move does not affect the long term policy on resettlement, which will be

<sup>&</sup>lt;sup>10</sup> For the report on the consultation and interim policy, please see the *Annual Review of the MPs' Scheme of Business Costs and Expenses 2012*, pages 33-34 and 97 <a href="http://parliamentarystandards.org.uk/transparency/Pages/Corporate-reports-and-publications.aspx">http://parliamentarystandards.org.uk/transparency/Pages/Corporate-reports-and-publications.aspx</a>.

decided following our review of MPs' pay and pensions and will come into effect for any election <u>after</u> 7 May 2015.

Question 7: Do you agree that we should provide for resettlement payments for defeated MPs at the next General Election, in line with our interim resettlement policy?

### **Resettlement payments for MEPs**

- 53. In addition to having powers in relation to MPs' expenses and remuneration, IPSA has the responsibility to make a resettlement scheme for a small group of British Members of the European Parliament (MEPs) at European Parliament elections.
- 54. In 2009, six returned British MEPs chose to remain on their existing terms and conditions (the same salary, pension and resettlement terms as a Westminster MP), rather than moving to a new system whereby MEPs' pay and pensions are paid by the European Union directly. The Constitutional Reform and Governance Act 2010 gave IPSA the responsibility to make a resettlement scheme for these MEPs. It stated that any scheme should be "as nearly equivalent...as practicable" to that for MPs but also stipulated that any scheme must make payments to an MEP who leaves the Parliament at an election, whether they are defeated or retire. Our resettlement scheme, of course, limits payments to defeated MPs only.
- 55. The next European Parliament election will be held between 22 and 25 May 2014. If we do not include any resettlement arrangements for these MEPs in the next edition of the Scheme, they will not receive any payment if they depart the Parliament at that election.
- 56. We propose therefore to make a specific resettlement scheme for this small number of MEPs stating that those who leave at the 2014 European Parliament election would receive a payment of one month's salary for each completed year of service up to a maximum of six months' salary.
- 57. We note, however, that this is an unsatisfactory and anomalous position, with our governing legislation requiring us to make resettlement payment provisions for these MEPs on a different basis from that which relates to MPs.

Question 8: Do you have any comments about the making of a resettlement payment scheme for a small group of Members of the European Parliament?

### Winding-Up period

58. Under paragraph 8.5 of the Scheme, MPs who leave Parliament may claim for the costs associated with the winding-up of their Parliamentary functions. The length of time for which the various elements are claimable is not consistent across each budget type. As the Scheme is currently worded, former MPs may continue to claim for accommodation, Disability Assistance and Security Assistance for two months exactly, while claims can be

made for staffing and office rent incurred for "a maximum of two months" after they cease to be MPs. We propose to harmonise the rules, saying that we will pay for all such costs for the period necessary to wind-up the MPs' parliamentary functions, being "<u>up</u> to a maximum of two months".

Question 9: Do you agree that we should clarify that the period available for MPs to wind-up their parliamentary functions is "up to a maximum of two months"?

### **CHAPTER FIVE: TRAVEL AND SUBSISTENCE**

59. Chapter Nine of the Scheme sets out the provisions for travel and subsistence for MPs, their staff, and eligible dependants and carers, which are necessarily incurred in the performance of MPs' parliamentary functions. Unlike most of the other budgets, the Travel and Subsistence budget is not capped, although there are limits on some of the types of expenditure (such as a maximum rate for hotels) and restrictions on certain types of business costs and expenses (such as the eligible times for subsistence claims).

### Subsistence claims by MPs' staff (overnight accommodation)

60. Paragraph 9.36 of the Scheme states that MPs' staff may claim for the cost of an overnight hotel "where the staff member has necessarily travelled in assisting the MP in his or her parliamentary functions, or is undertaking relevant training". At the same time, we only allow MPs' staff to claim for travel between the MPs' constituency office and Westminster; within the MPs' constituency or within 20 miles of the constituency boundary; or to undertake relevant training. We propose to amend the wording of paragraph 9.36 specifically to state that we will only cover overnight hotel costs for MPs' staff where directly associated with a <u>claimable</u> journey and add a reference to the relevant rules on MPs' staff travel (paragraph 9.20 of the current Scheme).

Question 10: Do you agree we should amend the rules to clarify that overnight hotel claims can only be made for MPs' staff where directly related to a <u>claimable</u> journey?

### Late working in Parliament (overnight hotel claims for MPs)

61. Under the Scheme, MPs may not claim for a hotel that costs more than £150 per night, except where allowable under the specific provision for late working in Parliament. Following feedback from MPs, we amended this rule to state that if, in exceptional circumstances, an MP is unable to find a hotel for £150 or less after late working in Parliament, they may claim for more than the limit (if they provide sufficient evidence and explanation of this). For the avoidance of doubt, we propose to state explicitly that MPs may only claim for hotels over £150 if they meet the provisions set out for late working in Parliament under the preceding paragraph 9.39.

Question 11: Do you agree we should clarify the rules for overnight hotel claim limits for MPs after late working in Parliament if MPs want to claim more than the £150 limit?

<sup>11</sup> For the complete set of rules for travel by MPs' staff members, refer to paragraphs 9.19-9.21 of the Scheme. <sup>12</sup> "Late working" is currently defined under paragraph 9.39 of the Scheme as "[w]here the House of Commons sits late or when MPs undertake their parliamentary functions in the House of Commons until late at night…".

## CHAPTER SIX: MISCELLANEOUS EXPENDITURE AND FINANCIAL ASSISTANCE

### **Expenditure during a General Election**

62. This section relates to the restrictions on claims made during the election period between the day of dissolution of Parliament and the day after polling day, as set out in Chapter Ten of the Scheme.

Travel by MPs during the election period.

- 63. During the election period, MPs do not have access to the Parliamentary Estate. Paragraph 10.18 of the Scheme reflects this by allowing MPs to claim for one single journey back from Westminster to the MP's residence or any point in his or her constituency. However, in the past the House of Commons has allowed MPs who are standing down at the General Election to return to Westminster to complete their office clearance during this period. This process also ensures that MPs standing down can wind-up their affairs before their successor arrives at Westminster.
- 64. We propose, therefore, to allow MPs who are standing down at the General Election to claim for an additional return journey between Westminster and the MP's constituency during the election period. We do not propose to extend this arrangement to MPs' staff members or dependants.

Question 12: Should we allow MPs who are standing down to claim for an additional return journey to Westminster during the election period to wind-up their affairs?

Purchase of capital items in the event of an early General Election.

65. Paragraph 10.19 of the Scheme states that, for the six months prior to the expected dissolution of Parliament, claims for purchases of capital items (e.g. office equipment, IT and furniture) under Office Costs Expenditure will not be allowed. However, there is no explicit provision in the Scheme for arrangements in the event of an early general election (prior to the date of 7 May 2015 scheduled under the Fixed-term Parliaments Act 2011). We therefore propose to make clear that, in the event that Parliament is dissolved early, the moratorium on the purchase of capital items would apply from the day of dissolution until polling day.

Question 13: Do you agree that we should amend the rules to prevent claims for purchases of capital items under Office Costs Expenditure from the day of dissolution until polling day, in the event of an early general election?

Disposal of capital items purchased with public funds.

66. In the review of the Scheme in 2011-12,<sup>13</sup> we considered whether it would be sensible or economic to seek to recover capital items purchased with public funds once an MP leaves office. We took the view that, in light of the low starting value of most items and the swift depreciation of the more expensive items such as computer hardware, the taxpayer would be likely to lose out on any central reclamation system. This included capital items purchased using House of Commons allowances or IPSA-funded business costs and expenses. We also noted that, from a tax standpoint, HMRC would view all such items as belonging to the MP personally. At that time, we chose instead to provide guidance that departing MPs should dispose of such IPSA-funded assets safely and should offer them to their successor or a local charity if appropriate. For the avoidance of doubt, we propose now to include this guidance in the Scheme itself.

Question 14: Do you agree that we should include guidance in the Scheme for departing MPs on the disposal of capital items purchased with public funds?

### Financial assistance

Advance Loans for MPs

67. Paragraph 10.21 of the Scheme sets out that all MPs are entitled to apply for an interest free advance of up to £4,000 to assist with cash flow. This advance is repayable by the end of the Parliament. In the lead up to the next General Election, and in light of the changes to operational and financial processes (including the introduction of several direct payment procedures for MPs to use), it is timely to review our rule on advance loans. In particular, we are considering whether the limit of £4,000 continues to be the appropriate level and if it continues to be necessary for IPSA to provide MPs with such a loan in the next Parliament.

Question 15: Do you have any comments on the continuing provision of advance loans to MPs and, in particular, whether £4,000 continues to be the appropriate level?

#### **Recall of Parliament**

68. Paragraph 10.13 of the Scheme sets out that, in the event of a recall of Parliament during Recess, we will settle claims for any reasonable travel by MPs and their families to London. If they are overseas, we will cover the costs of international travel back to the UK and may include return travel to the foreign location, up to a maximum of £3,750 per MP. If MPs necessarily incur costs above £3,750, we will consider making a contingency payment for the additional amount.

<sup>&</sup>lt;sup>13</sup> Please see the Annual Review of the MPs' Scheme of Business Costs and Expenses 2012 http://parliamentarystandards.org.uk/transparency/Pages/Corporate-reports-and-publications.aspx

- 69. The current wording "reasonable travel by an MP and his or her spouse/partner or dependants" could be interpreted as meaning <u>either</u> the spouse <u>or</u> the dependants could be returned with them, but not both. We propose to make a minor amendment to ensure that the Scheme reflects the policy intention, that travel by both the spouse <u>and</u> dependants may be claimed for, where necessary.
- 70. We also propose to make clear in the Scheme that MPs will be expected to travel standard class or equivalent unless they have no alternative option available. This wording was in the report on the 2012 Scheme review<sup>14</sup> and in the guidance we provide to MPs, but we propose now to reflect this wording within the Scheme rules, for clarity.

Question 16: Do you agree that we should amend the rules to ensure MPs may claim any reasonable travel for both their spouse and dependants to return with them in the event of a recall of Parliament?

Question 17: Do you agree we should clarify in our rules that, in the event of a recall of Parliament, MPs will be expected to travel standard class or equivalent unless they have no alternative?

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<sup>&</sup>lt;sup>14</sup> Please see the report on the consultation under the *Annual Review of the MPs' Scheme of Business Costs and Expenses 2012*, page 98.

### **CHAPTER SEVEN: OTHER MATTERS**

### Referendum-related spending

- 71. The Scheme expressly prohibits the use of IPSA funds to produce, publish or distribute any material which could be construed as campaign expenditure within the scope of the Political Parties, Elections and Referendums Act 2000 (paragraphs 3.4 and 6.6 of the Scheme). During the recent referendum on the Alternative Vote, we interpreted this rule as precluding claims for MPs' websites on which the MP stated his or her views on the referendum question.
- 72. We are now considering whether MPs should be allowed to make, or be prevented from making, claims in relation to the Scottish Independence Referendum. In particular, we are considering claims for MPs' websites that carry the MP's views on the Scottish Independence Referendum question. The referendum is scheduled for 18 September 2014 and is being run under arrangements set out in the Scottish Independence Referendum Act. As it is not being run under the Political Parties, Elections and Referendums Act, the referendum is not covered by our current rules.
- 73. We note that the Scottish Parliament Corporate Body (SPCB) has recently issued guidance which restricts Members of the Scottish Parliament from using taxpayer funds to produce publications (including websites) in the run up to the European Parliament elections and the Scottish Independence Referendum. The SPCB guidance prohibits any publication which "promotes the political views of any person, political party, the government, or other organisation involved in political campaigning" from January 2014, even if it does not urge constituents to vote one way or another.

Question 18: Should we allow MPs to claim, or prevent them from making claims, for expenditure which relates to the expression of views on the Scottish Independence Referendum question?

### **Equality and diversity**

- 74. One of the fundamental principles of the *MPs' Scheme of Business Costs and Expenses* is that the arrangements set out in the Scheme should be sufficiently flexible to take into account the diverse working patterns adopted by MPs, and that they should not unduly deter representation from all sections of society. This principle is in addition to our responsibilities under the Equality Act 2010.
- 75. As part of this review, we will carry out an Equality Impact Assessment (EIA) to consider any likely or actual impacts of any new policies which emerge from this consultation. We

will review the impact of the Scheme on the Equality Act 'protected characteristics'. Previous EIAs have identified improvements in the provisions, for example, for those with disabilities, and for MPs with caring responsibilities. The EIA will also consider the extent, if any, to which the Scheme may affect the wider diversity of the House of Commons. We will publish the EIA for this review together with the revised Scheme in spring 2014. We welcome responses, in particular from MPs and their staff, about how the current edition of the Scheme is operating with regard to equality and diversity.

Question 19: What likely or actual impact do you believe the Scheme and matters raised in this consultation may have on equality and diversity in relation to MPs and their staff?

### **Budget levels**

- 76. In addition to the matters set out in this consultation, we will also undertake our usual review of budget limits, including the budget for MPs who own their own home and claim associated expenditure only. Each year, we carry out a thorough review of relevant factors for each budget, including inflation, utility costs, rail prices, council tax, business rates, and residential and commercial rents, using data from across the UK.
- 77. Following last year's review, we increased the Office Costs Expenditure and Accommodation Expenditure budgets by 2.4% to reflect inflation (based on the calculated midpoint between the then current and forecast inflation rates). We will report on our findings when we publish the Sixth Edition of the Scheme in March 2014.

Question 20: Do you have any comments on the budget levels under the Scheme?

### Any other comments

78. This consultation asks questions on a range of issues and provides relevant data on MPs' expenditure. If, having reviewed this consultation document and the current Scheme (the Fifth Edition, which is available on our website <a href="www.parliamentarystandards.org.uk">www.parliamentarystandards.org.uk</a>), you have any additional comments which you would like to put forward, we would welcome these in response to question 21.

Question 21: Do you have any other comments you would like to make about the MPs' Scheme of Business Costs and Expenses?

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<sup>&</sup>lt;sup>15</sup> The nine protected characteristics are age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion and belief, sex, and sexual orientation.

## **ANNEX A: LIST OF CONSULTATION QUESTIONS**

Accommodation Expenditure

**Question 1:** Do you agree we should update the definition of MPs' caring responsibilities to include the Personal Independence Payment?

Office Costs Expenditure

**Question 2:** Should MPs have the flexibility to claim staff training and employment practice liability insurance costs from the Staffing Expenditure budget instead of the Office Costs Expenditure budget, if they expect that budget to be exhausted?

Staffing Expenditure

**Question 3:** Do you have comments on MPs' engagement of volunteers, including the model volunteer agreement and the rules and guidance we provide for MPs?

**Question 4:** Should we introduce a limit on reward and recognition payments that MPs make to their staff? If so, what would be the best option for restricting these payments and what should the applicable limit be? Should we restrict such payments to vouchers only?

**Question 5:** To assist MPs with managing their Staffing Expenditure budget, should we introduce a new rule to ensure MPs do not engage new staff members, change existing staff members' hours or pay, or commit to pay overtime where such changes would exhaust their budget before year end?

**Question 6:** In preparation for pension auto-enrolment in 2016, should we limit the range of pension providers we administer for MPs' staff to those arrangements already in place?

Winding-Up and Resettlement Payments

**Question 7:** Do you agree that we should provide for resettlement payments for defeated MPs at the next General Election, in line with our interim resettlement policy?

**Question 8:** Do you have any comments about the making of a resettlement payment scheme for a small group of Members of the European Parliament?

**Question 9:** Do you agree that we should clarify that the period available for MPs to wind-up their parliamentary functions is "up to a maximum of two months"?

Travel and Subsistence

**Question 10**: Do you agree we should amend the rules to clarify that overnight hotel claims can only be made for MPs' staff where directly related to a <u>claimable</u> journey?

**Question 11:** Do you agree we should clarify the rules for overnight hotel claim limits for MPs after late working in Parliament if MPs want to claim more than the £150 limit?

Miscellaneous Expenditure

**Question 12:** Should we allow MPs who are standing down to claim for an additional return journey to Westminster during the election period to wind-up their affairs?

**Question 13:** Do you agree that we should amend the rules to prevent claims for purchases of capital items under Office Costs Expenditure from the day of dissolution until polling day, in the event of an early general election?

**Question 14:** Do you agree that we should include guidance in the Scheme for departing MPs on the disposal of capital items purchased with public funds?

**Question 15:** Do you have any comments on the continuing provision of advance loans to MPs and, in particular, whether £4,000 continues to be the appropriate level?

**Question 16:** Do you agree that we should amend the rules to ensure MPs may claim any reasonable travel for both their spouse and dependants to return with them in the event of a recall of Parliament?

**Question 17:** Do you agree we should clarify in our rules that, in the event of a recall of Parliament, MPs will be expected to travel standard class or equivalent unless they have no alternative?

Other matters

**Question 18:** Should we allow MPs to claim, or prevent them from making claims, for expenditure which relates to the expression of views on the Scottish Independence Referendum question?

**Question 19:** What likely or actual impact do you believe the Scheme and matters raised in this consultation may have on equality and diversity in relation to MPs and their staff?

**Question 20:** Do you have any comments on the budget levels under the Scheme?

**Question 21:** Do you have any other comments you would like to make about the MPs' Scheme of Business Costs and Expenses?

Please refer to the Introduction for details on how to respond to this consultation.

# ANNEX B: EXPENDITURE IN 2012-2013 AND THE FIRST SIX MONTHS OF 2013-2014 (1 APRIL – 1 OCTOBER 2013)

All data are taken directly from IPSA's records. Please note that a single claim could be made for multiple instances of an expense type - for example, one claim could be submitted for a three-night hotel stay and a travel claim may represent the cost of either a single or return journey. Therefore, average claim figures should not be taken as indicative of unit costs.

## Tables of expenditure from 2012-2013

Accommodation Expenditure (2012-2013)

Expense type	MPs claiming	Claims	Total value of claims	Average value of
	0			claim
Rental payments	356	4,427	£5,293,181	£1,196
Mortgage interest payments <sup>16</sup>	35	153	£94,429	£617
Council tax	351	1,445	£363,194	£251
Utilities (gas, electricity, water, other	369	2,669	£276,479	£104
fuel)				
Insurance (buildings, contents)	185	379	£51,454	£136
Service charges	120	278	£159,387	£573
Communications (TV, phone and	297	1,909	£86,211	£45
internet)				
Hotels – London Area	73	1,643	£473,769	£288
Hotels – not London Area	18	91	£19,641	£216

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 $<sup>^{16}</sup>$  The mortgage interest subsidy ended on 31 August 2012.

## Office Costs Expenditure (2012-2013)

Expense type	MPs claiming	Claims	Total value of claims	Average value of claim
Constituency office rent	574	5,355	£3,885,746	£726
Business rates	134	366	£212,606	£581
Utilities (gas, electricity, water, other fuel)	307	2,827	£406,926	£144
Insurance (buildings, contents)	244	442	£100,567	£228
Legal expenses insurance	405	442	£261,866	£592
Hire of premises (e.g. for surgeries)	393	2,880	£141,259	£49
Communications – phone	620	12,771	£1,136,604	£89
Communications – internet	4	19	£311	£16
Communications – (TV Licence and TV Purchase)	129	163	£20,312	£125
Computer hardware and software	429	1,047	£385,494	£368
Furniture hire and purchase	165	297	£67,982	£229
Other office equipment (fax, scanner, photocopier, shredder, printer)	485	2,691	£441,662	£164
Stationery	646	20,948	£1,573,736	£75
Websites and advertising	407	2,319	£474,485	£205
Hospitality	141	1,383	£15,169	£11
Professional services and parliamentary accountancy	418	2,273	£905,957	£399
Recruitment services	46	58	£11,775	£203

## Travel and Subsistence (2012-2013)

Expense type	MPs claiming	Claims	Total value of claims	Average value of claim
Mileage	476	45,158	£1,108,713	£25
Air	168	5,116	£957,164	£187
Rail	532	19,443	£1,434,617	£74
Other public transport	248	3104	£51,557	£17
Hire cars	18	147	£15,329	£104
Taxis	252	3,234	£51,778	£16
Taxis (late working in Parliament) <sup>17</sup>	72	524	£8,450	£16
Parking/congestion charge/tolls	370	8,378	£174,482	£21

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 $<sup>^{17}</sup>$  Claims made under the provisions for late working in Parliament, as set out in paragraph 9.37 of the Scheme.

Travel by staff members	414	11,299	£244,160	£22
Travel by dependants	92	1,133	£78,001	£69
Food and drink <sup>18</sup>	247	4,798	£52,417	£11
Food and drink by staff members	73	406	£4,430	£11
Hotels – not London Area	31	72	£10,370	£144
Hotels – outside UK	63	90	£16,593	£184
Hotels – staff members	153	515	£79,980	£155
Hotels (late working in Parliament) <sup>19</sup>	16	154	£30,390	£197

### Staffing Expenditure (2012-2013)

Expense type	MPs claiming	Claims	Total value of claims	Average value of claim
Pooled services	317	470	£1,479,309	£3,147
Bought-in services	145	956	£834,873	£873
Intern expenses	193	13,025	£151,426	£12
Reward and recognition payments	19	49	£13,163	£269
Health and welfare costs (e.g. eye	59	87	£8,256	£95
tests)				

### MP staff salary and pensions (2012-2013)

Programme Cost	Total value of claims
MP staff salary and pensions <sup>20</sup>	£74,691,497

 $<sup>^{18}</sup>$  Under paragraphs 9.29 and 9.30 of the Scheme, MPs may claim for the costs of food and non-alcoholic drinks when the House is sitting late or they necessarily stayed overnight under defined circumstances. <sup>19</sup> Under the provisions for late working in Parliament, as set out in paragraph 9.37 of the Scheme.

<sup>&</sup>lt;sup>20</sup> MP staff payments include gross pay, employer's National Insurance contributions, and pension contributions for 2012-13.

## Tables of expenditure from the first six months of 2013-2014

(1 April 2013 - 1 October 2013)

Please note that data for the first six months of 2013-14 should be taken as indicative only. For figures since 1 July 2013 these tables may not yet provide a complete picture of actual spending as MPs have up to 90 days to submit claims after they incur the expense and not all claims may have been submitted or paid as at October 2013.

### Accommodation Expenditure (1 April 2013 - 1 October 2013)

Expense type	MPs	Claims	Total value	Average
	claiming		of claims	value of
				claim
Rental payments	331	2,079	£2,866,068	£1,379
Mortgage interest payments <sup>21</sup>	n/a	n/a	n/a	n/a
Council tax	302	762	£267,263	£351
Utilities (gas, electricity, water, other	327	1,130	£128,951	£114
fuel)				
Insurance (buildings, contents)	49	125	£20,796	£166
Service charges	73	119	£63,628	£535
Communications (TV, phone and	221	771	£36,170	£47
internet)				
Hotels – London Area	64	715	£199,418	£279
Hotels – not London Area	14	50	£6,420	£128

### Office Costs Expenditure (1 April 2013 - 1 October 2013)

Expense type	MPs	Claims	Total value	Average
	claiming		of claims	value of
				claim
Constituency office rent	549	2,660	£2,353,695	£885
Business rates	113	736	£113,454	£154
Utilities (gas, electricity, water, other)	289	1,235	£222,214	£180
Insurance (buildings, contents)	136	192	£49,659	£259
Legal expenses insurance	338	538	£238,723	£444
Hire of premises (for surgeries etc)	317	1,308	£65,128	£50
Communications – phone	603	5,319	£499,740	£94
Communications – internet	141	510	£17,860	£35

 $<sup>^{\</sup>rm 21}$  The mortgage interest subsidy ended on 31 August 2012.

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Communications – TV	71	78	£10,237	£131
Computer hardware and software	216	377	£126,414	£335
Furniture hire and purchase	80	143	£28,573	£200
Other office equipment (fax, scanner,	360	1,282	£202,125	£158
photocopier, shredder, printer)				
Stationery	628	10,827	£626,923	£58
Websites and advertising	298	1,030	£213,603	£207
Hospitality	106	570	£6,888	£12
Professional services & parliamentary	259	1,003	£348,540	£347
accountancy				
Recruitment services	18	29	£7,971	£275

### Travel and Subsistence (1 April 2013 - 1 October 2013)

Expense type	MPs	Claims	Total value	Average
	claiming		of claims	value of
				claim
Mileage	441	18,468	£479,305	£26
Air	139	1,865	£337,262	£181
Rail	475	6,890	£499,575	£73
Other public transport	205	1,204	£30,030	£25
Hire cars	15	59	£6,450	£109
Taxis	161	1,044	£17,304	£17
Taxis (late working in Parliament) <sup>22</sup>	20	159	£2,409	£15
Parking/congestion charge/tolls	322	3,349	£62,721	£19
Travel by staff members	459	7,418	£231,292	£31
Travel by dependants	54	380	£28,116	£74
Food and drink <sup>23</sup>	206	1,569	£18,466	£12
Food and drink by staff members	42	162	£1,761	£11
Hotels – not London Area	17	24	£3,171	£132
Hotels – outside UK	28	37	£5,745	£155
Hotels – staff members	89	208	£30,120	£145
Hotels (late working in Parliament) <sup>24</sup>	13	56	£9,629	£172

<sup>&</sup>lt;sup>22</sup> Claims made under the provisions for late working in Parliament, as set out in paragraph 9.37 of the Scheme.

<sup>&</sup>lt;sup>23</sup> Under paragraphs 9.29 and 9.30 of the Scheme, MPs may claim for the costs of food and non-alcoholic drinks when the House is sitting late or they necessarily stayed overnight under defined circumstances.

24 Claims made under the provisions for late working in Parliament, as set out in paragraph 9.37 of the Scheme.

## Staffing Expenditure (1 April 2013 - 1 October 2013)

Expense type	MPs claiming	Claims	Total value of claims	Average value of claim
Pooled services	130	179	£623,435	£3,483
Bought-in services	86	335	£287,049	£857
Intern expenses	123	4,779	£48,091	£10
Reward and recognition payments	12	25	£7,875	£315
Health and welfare costs (e.g. eye	27	29	£3,260	£112
tests)				

### MP staff salary and pensions (1 April 2013 - 1 October 2013)

Programme Cost	Total value of claims
MP staff salary and pensions <sup>25</sup>	£39,105,214

<sup>&</sup>lt;sup>25</sup> MP staff payments include gross pay, employer's National Insurance and pension contributions, from 1 April-1 October 2013.