

Independent Parliamentary Standards Authority

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27 January 2017

London SW1A OAA

Government Chief Whip House of Commons

Rt. Hon Gavin Williamson MP

Dear Mr Williamson,

Our ref: CAS-54514

I am writing to inform you of the results of our recent Assurance Review into MPs' expenditure on 'pooled services' which provide specialist research support for MPs. This was undertaken as part of a wider consultation on our *Scheme of Business Costs and Expenses*. The review examined the internal governance and operational performance of the European Research Group (ERG). We concluded that, barring some minor issues, the organisations provide an eligible service to subscribing Conservative MPs and their constituents.

As you know, MPs can subscribe to these pooled services to help inform their constituents about current affairs and topical issues. IPSA considers these costs to be parliamentary and makes direct payments to the provider or reimburses subscription costs for participating MPs.

In keeping with section 3.4b of the Scheme, IPSA expects that, in order for this to be eligible expenditure, the output produced by these pooled services must be neutral and objective in tone, and serve the needs of the MP as a representative of their constituency, rather than as a member of their political party. In particular, the Scheme does not allow funding for:

- work which is conducted for or at the behest of a political party;
- activities which could be construed as campaign expenditure within the scope of the Political Parties, Elections, and Referendums Act 2000 (PPERA); and/or,
- activities which could be construed as election expenses within the scope of the Representation of the People Act 1983 (RPA).

The European Research Group

Our Assurance Review showed no evidence of non-compliance with any of these three principles in the briefings and template correspondence produced by the ERG. Its material favouring the proleave agenda on Europe, was not party political. The review also noted that the ERG worked in a different way to other pooled services in that it proactively provided information it thought subscribing MPs would find useful, rather than waiting to be commissioned or tasked on a particular issue.

Detailed Findings

I attach the detailed findings that relate specifically to the ERG, for your reference. IPSA's Board have considered the results of the review and have concluded that we will continue to allow the funding of pooled services within the Scheme. This will be announced in March 2017 when we publish our new *Scheme of Business Costs and Expenses*.

I am copying this letter to the directors of the ERG. I am writing in similar terms to the whips of other parties about the services provided by the Policy Research Unit, Parliamentary Research Service, the Parliamentary Support Team, and the SNP Research Team.

Yours sincerely,

[Signature redacted]

John Sills Director of Regulation

Enc Pooled Services Review 2015 - 2016: European Research Group