

The MPs' Scheme of Business Costs and Expenses 2015-16



Independent Parliamentary Standards Authority

The MPs' Scheme of Business Costs and Expenses

2015-16

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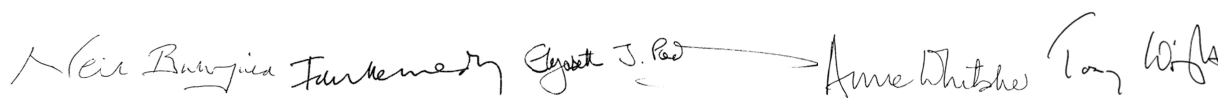
FOREWORD BY THE BOARD OF IPSA

This review of the *MPs' Scheme of Business Costs and Expenses* ('the Scheme') fulfils our legal requirement to review the Scheme regularly. We have a continuing commitment to ensure that the Scheme is fair, transparent and workable. We are mindful of the need to control costs, while conscious of the need to provide MPs with the support that they require to carry out their parliamentary functions.

The Scheme's rules are now widely understood and observed. This year's review focused on a small number of changes to the rules ahead of the General Election on 7 May 2015. We believe that these changes will help to ensure that the rules remain fair, workable and transparent into the new Parliament. We have also considered the budget limits to ensure that these remain at an appropriate level.

As part of this review, we took into consideration all of the responses we received to the consultation. We are grateful to all those who took the time to share their views.

The review has resulted in the Seventh Edition of the Scheme, which will come into effect from 1 April 2015 for the 2015-16 financial year. Some of the changes will take effect from 8 May 2015, following the General Election.



**Sir Neil
Butterfield** **Sir Ian Kennedy
(Chair)** **Elizabeth
Padmore** **Anne
Whitaker** **Professor
Tony Wright**

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SUMMARY OF CHANGES

Below is a summary of the key changes made to the *MPs' Scheme of Business Costs and Expenses* ('the Scheme'), following this review and public consultation. Most changes come into effect on 1 April 2015, except where stated otherwise. Please refer to the Scheme for full details of all the rules and guidance.

Staffing Expenditure

- We have changed the rules on MPs' staff pensions to ensure that the Scheme complies with legislation on pension auto-enrolment. We have replaced references to the current staff pension scheme (which does not qualify under the auto-enrolment rules) with a new pension scheme. We have also removed the provision for MPs' staff to request alternative pension arrangements in the new Parliament (as this practice does not comply with the rules on auto-enrolment).
- The Staffing Expenditure budget has been increased by 1% to £147,000 for London Area MPs and £140,000 for non-London Area MPs, to reflect the wider public sector pay policy.

Office Costs Expenditure (OCE)

- We have clarified MPs' responsibilities for notifying IPSA when there is any change to the rental arrangements of a constituency office.
- The Office Costs Expenditure budget has been increased by 0.5% to £26,050 for London Area MPs and £23,400 for non-London Area MPs, to reflect consumer price inflation.

Accommodation Expenditure

- We have clarified MPs' responsibilities for notifying IPSA when there is any change to the rental arrangements of residential accommodation.
- There is no change to the Accommodation Expenditure budget.

Travel and Subsistence

- We have amended the rules to clarify that MPs' staff members may only claim subsistence where their overnight stay is directly associated with a claimable journey under the Scheme.

Other matters

- We have moved the Fundamental Principles so that they have greater prominence within the Scheme (moved from Schedule 1 to the front), and have renumbered the other Schedules.
- We have removed the redundant references to the mortgage interest subsidy (Chapter 4 and Annex A) as the subsidy has ended.
- We have added a new Annex A to the Scheme to provide a summary table of the budgets for 2015-16.
- We will implement the rule changes agreed in December 2013, including removing hospitality claims and the late sitting food subsidy. We have tightened the rules on taxis and hotels after late sittings of the House. We will no longer allow claims, under the Accommodation rules, for TV licences and home contents insurance. All of these changes take effect from 8 May 2015.

THE MPs' SCHEME OF BUSINESS COSTS AND EXPENSES

SEVENTH EDITION

2015-16

1 April 2015

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THE MPS' SCHEME OF BUSINESS COSTS AND EXPENSES
SEVENTH EDITION
2015-16

INTRODUCTION

1. The *MPS' Scheme of Business Costs and Expenses* (the Scheme), which makes provision for reimbursement of costs and provision of support for MPs, is made by the Independent Parliamentary Standards Authority (IPSA) in the exercise of the powers conferred on it by section 5(3)(a) of the Parliamentary Standards Act 2009.

2. In the course of preparing this Seventh Edition of the Scheme, IPSA consulted:
 - a. the Speaker of the House of Commons;
 - b. the Committee on Standards in Public Life;
 - c. the Leader of the House of Commons;
 - d. the Committee on Standards;
 - e. members of the House of Commons;
 - f. the Review Body on Senior Salaries;
 - g. HM Revenue and Customs;
 - h. HM Treasury; and
 - i. the publicthrough a consultation between 26 November 2014 and 18 January 2015.

3. This Scheme is intended to ensure that MPs are reimbursed for the cost of provision of support necessarily incurred in the performance of their parliamentary functions.

The text in grey boxes is guidance only and is intended to provide help with interpretation of the Scheme.

FUNDAMENTAL PRINCIPLES

1. MPs should always behave with probity and integrity when making claims on public resources. MPs should be held, and regard themselves, as personally responsible and accountable for expenses incurred, and claims made, and for adherence to these principles as well as to the rules.
2. MPs have the right to be reimbursed for unavoidable costs where they are incurred wholly, exclusively, and necessarily in the performance of their parliamentary functions, but not otherwise.
3. MPs must not exploit the system for personal financial advantage, nor to confer an undue advantage on a political organisation.
4.
 - a. The system should be open and transparent.
 - b. The system should be subject to independent audit and assurance.
5. The details of the expenses scheme for MPs should be determined independently of Parliament.
6. There should be clear, effective and proportionate sanctions for breaches of the rules, robustly enforced.
7. The presumption should be that in matters relating to expenses, MPs should be treated in the same manner as other citizens. If the arrangements depart from those which would normally be expected elsewhere, those departures need to be explicitly justified.
8. The scheme should provide value for the taxpayer. Value for money should not necessarily be judged by reference to financial costs alone.
9. Arrangements should be flexible enough to take account of the diverse working patterns and demands placed upon individual MPs, and should not unduly deter representation from all sections of society.
10. The system should be clear and understandable. If it is difficult to explain an element of the system in terms which the general public will regard as reasonable, that is a powerful argument against it.
11. The system should prohibit MPs from entering into arrangements which might appear to create a conflict of interests in the use of public resources.
12. The system must give the public confidence that high standards of honesty will be upheld.

PART A: CONDITIONS

CHAPTER ONE: THE PROCESS FOR MAKING CLAIMS

- 1.1 Claims for reimbursement under this Scheme must be:
- submitted using the online expenses system or another mechanism agreed with IPSA;
 - submitted personally by the MP, or with IPSA's agreement by his or her designated proxy (except where paragraphs 1.2 or 1.3 apply);
 - submitted no more than 90 days after the expenditure was incurred; and
 - supported by the evidence required by IPSA no later than seven days after the claim is submitted.
- 1.2 IPSA may agree to allow an MP to delegate the submission of claims to the MP's designated proxy, or in exceptional circumstances where an MP is unable to fulfil his or her parliamentary functions, to another MP.

To request routine delegation to a proxy, or in exceptional circumstances to another MP, the MP should formally notify IPSA, or submit the relevant form on the online expenses system. Exceptional circumstances may include an MP:

- *taking maternity, paternity or adoptive leave;*
- *being called up to serve in the armed forces; or*
- *being on long-term sick leave.*

- 1.3 For certain expenditure, an MP may claim payment in advance on production of an invoice or through use of an IPSA-provided payment card or may request IPSA to make payments directly to a supplier.

Guidance on payment methods can be found at Annex C.

- 1.4 A claim will not be paid if any part of the claim or the evidence supporting the claim is redacted prior to its submission to IPSA.
- 1.5 IPSA will set out in guidance the type and nature of evidence that is required in relation to each claim.
- 1.6 IPSA may make specific provision at the end of a financial year to limit the 90 day period specified at paragraph 1.1c.

CHAPTER TWO: DETERMINATION AND REVIEW OF CLAIMS

Determination of claims

2.1 Following receipt of a claim, IPSA will determine whether to allow or refuse it.

IPSA will not provide prior approval of any claim, except where set out in the Scheme. Other than as noted in guidance, IPSA will not provide advice on whether a particular item is claimable.

Where IPSA refuses a claim, it will be marked as 'not paid' on the online expenses system.

2.2 If IPSA determines to allow the claim it will:

- a. determine how much of the amount claimed is to be allowed; and
- b. arrange for the amount allowed to be paid.

2.3 No decision by IPSA to allow or refuse a particular claim will bind IPSA in subsequent claims of the same nature.

2.4 If IPSA determines to refuse the claim or to allow only part of the amount claimed, it will notify the MP and specify the reason for the refusal.

Review of claims

2.5 Where IPSA determines either to refuse a claim or to allow only part of the amount claimed, the MP may, within 14 days of IPSA issuing that notification, request IPSA to review its determination. Such a request may only be made on the grounds that:

- a. the rules have been applied incorrectly; or
- b. an administrative error has been made by IPSA.

MPs may request a review under paragraph 2.5 using the online expenses system.

2.6 Upon receiving a request in accordance with paragraph 2.5, IPSA will:

- a. review whether the original determination was properly made;

- b. decide whether to confirm or alter the amount allowed under the original determination;
- c. notify the MP of its decision; and
- d. if any amount has been determined as allowed, arrange for it to be paid to the MP.

2.7 IPSA may also elect to review its own determinations.

2.8 No staff member of IPSA who was involved in making the original determination shall be involved in any review of that determination.

2.9 After giving IPSA a reasonable time to review the determination (as set out in paragraph 2.5) an MP may request that the determination is reviewed by the Compliance Officer.

2.10 IPSA will make any payments or adjustments necessary to give effect to decisions of the Compliance Officer under paragraph 2.9, provided that all relevant appeals on the matter have been withdrawn or determined and it is no longer possible for there to be a further relevant appeal.

Recovery of overpayments

2.11 Where an MP:

- a. has been paid an amount (or has had an amount paid by IPSA on his or her behalf) that IPSA subsequently determines should not have been paid either in full or in part; or
- b. agrees to repay an amount following an investigation by the Compliance Officer; or
- c. is directed by the Compliance Officer to repay an amount, together with any additional amounts that the Compliance Officer has directed the MP to pay by way of interest, penalties and/or costs incurred by IPSA in relation to the overpayment (including the costs of the Compliance Officer in carrying out the investigation); and
- d. has not repaid the amount if requested to do so by IPSA;

then IPSA shall arrange for the amount to be deducted from further payments of claims to which the MP may become entitled.

2.12 If the MP has no further claims pending from which the overpayment can be deducted, or the value of the repayment required is greater than the value of any pending further claims, IPSA

will require the MP to repay the amount in question within one month of being notified of the outcome of the review or investigation.

- 2.13 If the MP does not pay the amount within one month of being notified, the amount may be deducted from the MP's salary or otherwise recovered.

MPs who spend more than their allocated budget in any financial year will be considered to have been paid an amount that IPSA subsequently determines should not have been paid.

CHAPTER THREE: GENERAL CONDITIONS OF THE SCHEME

- 3.1 No claims will be considered from an MP who has not agreed with IPSA that he or she will abide by the Scheme.
- 3.2 In making any claim under the Scheme, an MP must certify that the expenditure was necessary for the performance of his or her parliamentary functions, and that in incurring the expenditure he or she had complied with the Scheme.
- 3.3 The Scheme makes provision for the exercise in certain circumstances of discretion by MPs and by IPSA. Such discretion is not absolute. At all times:
- a. it shall be exercised reasonably; and
 - b. MPs and IPSA shall satisfy the requirement of the Parliamentary Standards Act that MPs must only be paid or reimbursed for costs necessarily incurred for the performance of their parliamentary functions.
- 3.4 The following are examples of activities that are not considered as necessary for the performance of MPs' parliamentary functions:
- a. attendance at political party conferences or meetings;
 - b. work which is conducted for or at the behest of a political party;
 - c. activities relating to reviews of parliamentary constituency boundaries;
 - d. activities which could be construed as campaign expenditure within the scope of the Political Parties, Elections and Referendums Act 2000;
 - e. activities which could be construed as election expenses within the scope of the Representation of the People Act 1983;
 - f. work relating to delegations to an international assembly; or
 - g. work relating to the performance of ministerial functions.

If an MP is unsure whether an activity constitutes either campaign expenditure or election expenses, he or she should seek advice from the Electoral Commission.

Further information can be found on IPSA's website: www.parliamentarystandards.org.uk.

- 3.5 For the purpose of Chapter Seven, the activities at paragraph 3.4 are not considered as necessary for the support of the performance of parliamentary functions by MPs' staff.

- 3.6 MPs must provide any information or assistance reasonably required by IPSA to carry out its management assurance functions, in order to ensure the appropriate and cost-effective use of public funds, or for the purposes of audit.
- 3.7 Any duty of IPSA to pay any expenses to an MP is subject to anything done in relation to the MP in the exercise of the disciplinary powers of the House of Commons.

Publishing of claims

- 3.8 IPSA will publish information relating to claims in accordance with its procedures and policy relating to such publication.

Claims will be published on IPSA's website, as will IPSA's decision on each claim. IPSA recognises the need to take proper account, in terms of what is published, of the boundaries between the public and private. In determining what information to publish, IPSA is, as any other public authority, subject to the requirements of the Data Protection Act and the Freedom of Information Act. IPSA's publication scheme is available on IPSA's website.

Budgets and financial limits: general provisions

- 3.9 Unless specified elsewhere, all budgets and financial limits set out in this Scheme are for a year commencing on 1 April, and ending on 31 March of the following year. All references to a 'year' are to be read in this context.
- 3.10 Where a Parliament commences or is dissolved within a year, IPSA may calculate proportionally reduced budgets for the remainder of the year and set them out accordingly.
- 3.11 IPSA may from time to time amend the budgets and financial limits set out in this Scheme.

MPs may incur business costs and expenses above the stated limits in the Scheme if they wish to do so. However any business costs and expenses above these limits will not be met from the public purse.

- 3.12 Expenses may not be transferred between budgets, nor may they be charged in advance of the beginning of a year, except with IPSA's agreement. Amounts not utilised in any particular

year's budget may not be carried forward into subsequent years, except in relation to Start-Up Expenditure.

Amounts incurred above the budget limit in any particular year may not be rolled forward to subsequent years. Such amounts will need to be repaid to IPSA in accordance with paragraphs 2.11-2.13.

Individual claims for expenses and costs may be claimed from only one budget. Where a specified cost may be claimed from either the Staffing Expenditure or Office Costs Expenditure budgets, the entirety of the claim must come from one budget alone and will not be split between budgets.

The London Area

3.13 For the purposes of this Scheme, MPs representing any constituency listed in Schedule 1 are referred to as 'London Area MPs', and any reference should be read accordingly.

3.14 MPs representing any other constituency are referred to as 'non-London Area MPs'.

General restrictions applicable to claims

3.15 For the purposes of this Scheme, a connected party is defined as:

- a. a spouse, civil partner or cohabiting partner of the member;
- b. parent, child, grandparent, grandchild, sibling, uncle, aunt, nephew or niece of the member or of a spouse, civil partner or cohabiting partner of the member; or
- c. a body corporate, a firm or a trust with which the MP is connected as defined in section 252 of the Companies Act 2006.

The Companies Act 2006 can be found at <http://www.legislation.gov.uk/ukpga/2006/46>.

3.16 No costs may be claimed relating to the purchase of goods or services, where the MP or a connected party is the provider of the goods or services in question.

3.17 Except to the extent permitted under paragraph 4.19, no costs may be claimed relating to an MP's rental of a property, where the MP or a connected party is the owner of the property in question.

- 3.18 'Air miles' or similar customer loyalty benefits and other discounts earned on purchases for which claims are payable under this Scheme are not for personal use, but must be applied to further claimable expenditure.

Penalty charges or additional charges, such as for late payment, will not be paid by IPSA. No claims will be paid for costs that are insurable or that are covered by another source.

PART B: WORKING FROM TWO LOCATIONS
CHAPTER FOUR: ACCOMMODATION EXPENDITURE

- 4.1 Accommodation Expenditure is designed to meet costs necessarily incurred on overnight accommodation which is required for the performance of an MP's parliamentary functions.
- 4.2 Accommodation Expenditure is not payable to MPs who:
- a. are London Area MPs; or
 - b. by virtue of any particular office held, occupy 'grace and favour' accommodation.
- 4.3 MPs may only claim for Accommodation Expenditure in relation to a property at one location, which may be either:
- a. in the London Area, or
 - b. within the MP's constituency, or within 20 miles of any point on the constituency boundary.
- 4.4 In exceptional circumstances and notwithstanding paragraph 4.3, IPSA may at its discretion allow an MP to claim for more than one property in the MP's constituency.
- 4.5 Where an MP is claiming Accommodation Expenditure under paragraph 4.9b or 4.9c, the MP must be routinely resident at the property supported by IPSA, and may not sublet this property.
- 4.6 Claims may only be made for Accommodation Expenditure (other than for hotel costs) once IPSA has approved the MP's rental contract, or has been provided with proof of ownership, and agreed that such claims can be made.
- 4.7 IPSA will approve all rental contracts to ensure the eligibility criteria and conditions are met before any claims can be made. MPs should satisfy themselves that the conditions as set out in the Scheme are met.
- 4.8 MPs may rent accommodation from another MP, provided that the landlord MP is not a connected party. Only the tenant MP may claim the associated expenditure for that property.

- 4.9 Accommodation Expenditure may be claimed only for the following costs:
- a. hotel accommodation; or
 - b. rental payments and associated expenditure as set out at paragraph 4.10; or
 - c. for MPs who own their property, associated expenditure as set out at paragraph 4.10.

4.10 Associated expenditure includes:

- a. utility bills (gas, electricity, other fuel and water);
- b. council tax;
- c. ground rent and service charges;
- d. home contents insurance (for costs incurred up to 7 May 2015 only);
- e. in the case of MPs claiming under 4.9c, buildings insurance;
- f. purchase, installation and maintenance of routine security measures;
- g. installation of a landline telephone line, line rental and usage charges;
- h. installation of a broadband connection and usage charges;
- i. connection to a basic, free to air television broadcast package (for costs incurred up to 7 May 2015 only); and
- j. the purchase of a television licence (for costs incurred up to 7 May 2015 only).

'Routine security measures' are security locks, alarms, or similar.

4.11 Associated expenditure shall not include and no claims will be paid for:

- a. cleaning;
- b. gardening;
- c. the purchase or maintenance of furniture; or
- d. home contents insurance, television services, or television licences (for cost incurred on or after 8 May 2015).

4.12 Accommodation Expenditure may only be paid for hotel costs to non-London Area MPs who have informed IPSA of their intention not to claim for rental property, associated expenditure under paragraph 4.10, or the London Area Living Payment.

Claiming for rental payments

4.13 For MPs claiming for rental payments in the London Area, the annual Accommodation Expenditure budget (including all associated expenditure as set out at paragraph 4.10) is

£20,600. For MPs newly-elected at the General Election on 7 May, this budget is £18,883, which is 11 months' worth in accordance with paragraph 3.10.

4.14 For MPs claiming for rental payments within the MP's constituency, or within 20 miles of any point on the constituency boundary, IPSA may set out in guidance annual Accommodation Expenditure budgets, which may vary having regard to particular constituencies.

4.15 The annual budgets (including all associated expenditure as set out at paragraph 4.10) for particular constituencies are set out at Annex B. For MPs newly-elected at the General Election on 7 May, these budgets will be pro-rated to 11 months' worth in accordance with paragraph 3.10.

MPs may enter into a rental agreement above the Accommodation Expenditure limit in the Scheme if they wish to do so. However, any rent or associated expenditure above this limit will not be met by IPSA.

IPSA has assessed that £2,800 per year is an appropriate amount for associated expenditure (as set out at paragraph 4.10). MPs with low rental payments will be able to claim more than £2,800 per year in associated expenditure, provided they do not exceed the overall allocated budget. However, they should have regard to the fact that £2,800 is built into the budget specifically for associated expenditure.

MPs are responsible for checking the terms and conditions of their contract, including any incorporated service charges, penalty clauses or other clauses that may result in an undue financial burden on the taxpayer. MPs are strongly advised to check the liability for council tax of the premises prior to signing a contract.

4.16 The Accommodation Expenditure budget is designed to include the cost of drawing up any tenancy agreement and any agency fees incurred on entering into or extending contracts for rental accommodation.

4.17 MPs must inform IPSA immediately if the rental agreement commences, ends or is renewed, or if there are any changes (such as a change in the rental amount or the landlord's payment details).

4.18 Removal costs for moving to new accommodation may be claimed from the Contingency Fund. No pre-approval is required.

MPs are advised to negotiate a clause within their contract to allow them to extricate themselves from the contract within two months in case of a change in circumstances such as the loss of their seat at a General Election. The Winding-Up budget permits former MPs to claim for expenses incurred for a maximum of two months after they cease to be MPs.

MPs who own their own homes

- 4.19 For MPs claiming associated expenditure only, the annual Accommodation Expenditure budget is £8,850. For MPs newly-elected at the General Election on 7 May, this budget is £8,113, which is 11 months' worth in accordance with paragraph 3.10.

MPs who share rental accommodation

- 4.20 If two or more eligible MPs choose to share rental accommodation, that intention must be registered with IPSA when registering the property. In this case, the names of each MP must be on the rental agreement as provided to IPSA.
- 4.21 Each MP will be entitled to the full Accommodation Expenditure budget and all costs claimed from Accommodation Expenditure by MPs who elect to share accommodation should be apportioned equally between those MPs.

Additional budgets for MPs with caring responsibilities

- 4.22 An MP who is eligible to claim Accommodation Expenditure for rental costs may have his or her budget limit increased by up to £2,425 in any financial year for any additional expenditure that may be required, for each person for whom that MP has caring responsibilities (known hereafter as the 'dependant'), provided that he or she can certify that the dependant routinely resides at the rented accommodation.
- 4.23 MPs will become eligible for additional expenditure under paragraph 4.22 once they register their dependant(s) with IPSA.

MPs will need to complete the registration form for dependants on the online expenses system. For further guidance on how to register a dependant, please refer to the Guidance document on IPSA's website: <http://parliamentarystandards.org.uk/IPSAMPs/Guidance/Pages/home.aspx>.

If an MP is expecting a child or is in the process of adoption, and the MP wishes to secure new accommodation as a result, he or she should notify IPSA as soon as possible. Early notification will assist both the MP and IPSA in making the appropriate arrangements.

4.24 For the purposes of this Scheme, MPs will be deemed to have caring responsibilities where they:

- a. have parental responsibility for a dependent child of up to the age of 16, or up to the age of 18 if in full-time education;
- b. are the sole carer for a dependent child in full-time education, of up to the age of 21 years; or
- c. are the primary carer for a family member in receipt of one of the following benefits:
 - i. Attendance Allowance;
 - ii. Disability Living Allowance at the middle or highest rate for personal care;
 - iii. Personal Independence Payment at the standard or enhanced rate for daily living; or
 - iv. Constant Attendance Allowance at or above the maximum rate with an Industrial Injuries Disablement Benefit, or basic (full day) rate with a War Disablement Pension.

Full-time education means a course where the average time spent during term time receiving tuition, engaging in practical work or supervised study or taking examinations is more than 12 hours a week and is not linked to employment or any office held. It includes breaks taken as an integral part of the course, such as 'sandwich years'.

Loans for deposits on rental properties

4.25 An MP who intends to claim Accommodation Expenditure for rental costs may apply to IPSA for a loan to cover any deposit payable at the commencement of a tenancy. This loan will not be deducted from the Accommodation Expenditure budget.

4.26 The value of any loan under paragraph 4.25 may not exceed:

- a. the deposit which is stipulated in the rental agreement; or
- b. one quarter of the appropriate annual Accommodation Expenditure budget for the location (i.e. London Area or the constituency),

whichever is the lower.

- 4.27 Applications for loans should be accompanied by a draft of the rental agreement, for IPSA to approve. MPs will be asked to sign hard copies of loan agreements before funds are provided to them. The terms and conditions of the loan will be set out in these agreements.
- 4.28 No MP may hold more than one loan for a deposit on residential accommodation at any one time, except where IPSA agrees otherwise.
- 4.29 The MP is responsible for securing the return of the deposit and for repaying the amount in full to IPSA, no later than one month after the date on which the tenancy came to an end or, where the MP leaves Parliament, the end of the Winding Up period as set out in paragraph 8.6 (whichever is earlier). Any shortfall between the deposit paid and the amount returned shall be the sole responsibility of the MP.

Conditions applicable to Accommodation Expenditure

- 4.30 An MP's entitlement to an uplift in his or her budget for Accommodation Expenditure attributable to caring responsibilities as set out at paragraph 4.22 shall cease under the following circumstances:
- a. in the case of any dependant, when that person ceases to reside routinely at the property with the MP;
 - b. in the case of a dependent child under the age of 16 years, six months after the end of the financial year during which the child attains that age;
 - c. in the case of a dependent child in full-time education between the ages of 16 and 18 years, six months after the end of the financial year during which the child turns 18 or concludes full-time education (whichever is the earlier);
 - d. in the case of a dependent child in full-time education between the ages of 18 and 21 years for whom the MP is the sole carer, six months after the end of the financial year during which the child turns 21 or concludes full-time education (whichever is the earlier); or
 - e. in the case of any family member for whom the MP is the primary carer, who is in receipt of one of the benefits listed at paragraph 4.24c, six months after the end of any financial year during which the family member ceases to be in receipt of one of those benefits.

Hotel Costs

- 4.31 Accommodation Expenditure may only be claimed in relation to hotel accommodation up to a maximum cost of £150 per night in the London Area, or £120 elsewhere in the United Kingdom.
- 4.32 If this cost includes breakfast, then it will also be reimbursed, provided it is included on the same receipt, and that the overall limit is not exceeded. These limits are inclusive of VAT.

MPs should note that the House of Commons Travel Office may be able to book hotels at a rate below these limits or, alternatively, hotel price comparison websites may be useful.

CHAPTER FIVE: THE LONDON AREA LIVING PAYMENT

- 5.1 The London Area Living Payment is intended to contribute towards the additional expenses of living in the London Area or of commuting regularly to the London Area.
- 5.2 The London Area Living Payment may be claimed by:
- a. London Area MPs, or
 - b. non-London Area MPs who have informed IPSA of their intention not to claim for Accommodation Expenditure.
- 5.3 The London Area Living Payment is limited to £3,760 per financial year, payable on a monthly basis.
- 5.4 MPs representing certain constituencies (detailed in Schedule 2) may claim an additional £1,330 per financial year in London Area Living Payment.

Conditions

- 5.5 The London Area Living Payment will not be payable in relation to any period before notification is given to IPSA that the MP has elected to claim it.

Provided the MP applies before the payroll deadline for the month, IPSA will pay LALP for the current month in full. The payroll deadline is usually the 15th of the month (but will be earlier if the 15th falls on a bank holiday or weekend). If the MP applies after the deadline, LALP will not be paid until the following month.

- 5.6 The London Area Living Payment will not be payable to an MP who occupies any 'grace and favour' accommodation by virtue of any particular office held.
- 5.7 If an MP in receipt of the London Area Living Payment subsequently elects to claim Accommodation Expenditure, the MP's entitlement to the London Area Living Payment will cease with effect from the day before Accommodation Expenditure is claimed.

PART C: OFFICE SUPPORT

CHAPTER SIX: OFFICE COSTS EXPENDITURE

- 6.1 Office Costs Expenditure (OCE) is provided to meet the costs of renting, equipping and running an MP's office or offices and surgeries, where these costs are not claimable from other budgets under this Scheme, or from other sources.
- 6.2 All MPs are eligible for Office Costs Expenditure, whether or not they rent a constituency office.
- 6.3 For London Area MPs, the annual Office Costs Expenditure budget is £26,050. For MPs newly-elected at the General Election on 7 May, this budget is £23,879, which is 11 months' worth in accordance with paragraph 3.10.
- 6.4 For non-London Area MPs, the annual Office Costs Expenditure budget is £23,400. For MPs newly-elected at the General Election on 7 May, this budget is £21,450, which is 11 months' worth in accordance with paragraph 3.10.
- 6.5 MPs are entitled to exercise discretion over claims for items that meet the purposes of the Office Costs Expenditure budget, provided that the claims meet the general conditions of the Scheme and the conditions in this Chapter.
- 6.6 Office Costs Expenditure may only be claimed for the performance of parliamentary functions. It may not be claimed for:
- a. any alcoholic drinks;
 - b. stationery provided by the House of Commons;
 - c. newsletters;
 - d. funding any material, excluding a website, that contains a party political logo or emblem;
 - e. personal accountancy or tax advice; or
 - f. from 8 May 2015, hospitality (including refreshments in the office).

- 6.7 Where an MP moves office, removal costs are not required to come from Office Costs Expenditure. They may be claimed from the Contingency Fund instead. No pre-approval is required.

Office Costs Expenditure may be claimed for any costs required to support the set-up and ongoing running of the MP's constituency office or offices (including rental costs), where these are necessary for the performance of an MP's parliamentary functions and meet the conditions of the Scheme. Other than as noted in this guidance, IPSA will not provide advice on whether a particular item is claimable from this budget.

IPSA has arranged a facilitated purchase of employment practice liability insurance for MPs. The premium for this insurance will be deducted from the Office Costs Expenditure budget if an MP decides to purchase the cover through IPSA. If an MP decides to purchase this insurance separately (i.e. not through the IPSA-facilitated purchase arrangement), this may be claimed from the Office Costs Expenditure budget. Please refer to paragraph 7.3j.

For MPs representing Welsh constituencies, the costs of translation between the Welsh and English languages may be met from the Contingency Fund, rather than from the Office Costs Expenditure budget.

MPs should not claim for pooled staffing resources from the Office Costs Expenditure budget unless they expect their Staffing Expenditure budget to be exhausted.

MPs may only claim for telephone calls that relate to their parliamentary work. When submitting a claim, MPs will be required to determine the appropriate proportion of their phone bill that they wish to claim for (which may be 100%). MPs will need to enter the amount of the bill they wish to claim, not the percentage figure.

Any claim for catering costs must show the full detail of the items claimed for and must show the cost per head. Claims should be limited to non-alcoholic drinks and light refreshments. These costs will not be claimable from 8 May 2015.

Constituency office rental costs

- 6.8 Office Costs Expenditure may also be claimed for the rent of one or more premises to be used as a constituency office, each of which must be registered with IPSA before a rental claim is made. A constituency office must be located within the constituency or less than 20 miles outside it.

6.9 Claims for the following costs will only be allowed where the office has been registered with IPSA:

- a. energy and water bills;
- b. business rates;
- c. contents and buildings insurance; and
- d. rental and usage costs for telephone and internet access.

6.10 Where the costs in paragraph 6.9 are incurred at an MP's or staff member's home (for example if he or she works from home routinely), that home must be registered with IPSA as a constituency office, or (where it is more than 20 miles outside the constituency) as a 'home office'.

6.11 If a member of staff routinely works from home and wishes to register his or her home as a home office under paragraph 6.10, the restriction in paragraph 6.8 (that it must be within the constituency or fewer than 20 miles outside of it) is not applicable.

Where an MP has an office at home, or an MP's staff member routinely works from a home office under 6.11, he or she must comply with the relevant HMRC guidance that this is a de facto office, and not that he or she occasionally works at home. IPSA will then reimburse associated expenditure according to the HMRC guidelines.

In no circumstances will rent for an MP's home office be reimbursed in addition to Accommodation Expenditure. Any journeys made from this location will be treated as from home, and IPSA will not reimburse the MP's daily commute.

6.12 Where the constituency office is to be rented from a political party or constituency association:

- a. the MP must provide a valuation of the market rate for the contract prepared by a valuer regulated by the Royal Institution of Chartered Surveyors; and
- b. that market rate must not be exceeded.

6.13 The cost of the valuation required under paragraph 6.12 is claimable under Office Costs Expenditure.

Valuations should be clear about the evidence upon which the valuation of the market rate has been based.

- 6.14 MPs must inform IPSA immediately if the rental agreement commences, ends or is renewed, or if there are any changes (such as a change in the rental amount or the landlord's payment details).

MPs are strongly advised to negotiate a clause within their contract to allow them to extricate themselves from the contract within two months in case of a change in circumstances such as the loss of their seat at a General Election. The Winding-Up budget permits former MPs to claim for expenses incurred for a maximum of two months after they cease to be MPs.

MPs are responsible for checking the terms and conditions of their contract, including any incorporated service charges, penalty clauses or other clauses that may result in an undue financial burden on the taxpayer. MPs are strongly advised to check the liability for business rates of the premises prior to signing a contract.

Loans for deposits on rental properties

- 6.15 An MP who intends to claim Office Costs Expenditure for rental costs may apply to IPSA for a loan to cover any deposit payable at the start of a tenancy.
- 6.16 The MP is responsible for securing the return of the deposit and for repaying the amount in full to IPSA, no later than one month after the date on which the tenancy comes to an end or, where the MP leaves Parliament, after the end of the Winding Up period as set out in paragraph 8.6 (whichever is earlier). Any shortfall between the deposit paid and the amount returned shall be the sole responsibility of the MP.

Use of offices by others

- 6.17 Where an MP who claims office rental expenditure grants a licence or gives permission to any person for the use of the constituency office (or any part of it) on one or more occasions, a fee must be charged which reflects an appropriate proportion of the rent and other costs incurred.
- 6.18 This fee must be remitted to IPSA in its entirety.

Shared offices

- 6.19 If an MP shares a constituency office or surgery with another MP, a member of the European Parliament, the Scottish Parliament, the National Assembly for Wales or the Northern Ireland Assembly, Office Costs Expenditure may be claimed only for the appropriate proportion of the rent and other office costs. The MP will be required to inform IPSA of the relevant proportion when registering the office.

IPSA will use the relevant proportion of the costs to calculate both rent and costs payable to the MP.

Where an MP shares an office with a Member of the Scottish Parliament, the National Assembly for Wales or the Northern Ireland Assembly, he or she should submit a claim for his or her proportion of the expenses using the online expenses system as usual. IPSA will accept a copy of any invoices or receipts rather than the original, so that the original can be submitted to the Parliament or Assembly as appropriate. MPs should indicate that this is the case when submitting the claim.

CHAPTER SEVEN: STAFFING EXPENDITURE

- 7.1 Staffing Expenditure may be claimed to meet the cost incurred in the provision of staff to assist with the performance of an MP's parliamentary functions. Throughout this Chapter, 'staff' should be taken to include 'apprentices' where those apprenticeships meet the standards of the National Apprenticeship Service and 'employed interns', except where stated in paragraphs 7.8 and 7.9.
- 7.2 All MPs are eligible for Staffing Expenditure.
- 7.3 Staffing Expenditure may be used to meet the following costs:
- a. staff salaries, employers' contributions to National Insurance and employers' contributions to pension schemes;
 - b. payments to pooled staffing resources;
 - c. payments for bought-in services;
 - d. overtime payments, to the extent that these are specified in staff terms and conditions;
 - e. payments for childcare vouchers for staff or other payments by way of salary sacrifice schemes;
 - f. modest reward and recognition payments (but these may not be claimed in respect of any connected parties);
 - g. one-off health and welfare costs associated with provision of staffing support, such as eyesight tests and occupational health assessments;
 - h. costs associated with apprenticeships that meet the standards of the National Apprenticeship Service;
 - i. the incidental expenses of volunteers (as set out in paragraph 7.12); and
 - j. where the MP expects the Office Costs Expenditure budget to be exhausted, employment practice liability insurance and staff training costs.

'Pooled staffing resources' refers to services provided to a group of MPs for the purpose of research or other support and only relates to groups with whom IPSA has an agreed arrangement in place. Where they expect their Staffing Expenditure budget to be exhausted, MPs may claim for these services from their Office Costs Expenditure budget.

'Bought-in services' refers to staffing services provided by companies, self-employed individuals or others not on the payroll.

MPs must make sure that all their staff have the correct employment status, to ensure that the correct tax and National Insurance contributions are paid. Employment status is not a matter of choice; it is determined by the nature of the working relationship, including the level of control exercised by the MP, even if the work is only casual or part-time. A complete guide to employment status can be found on HMRC's website: www.hmrc.gov.uk/employment-status. Employees should be registered on the IPSA payroll in the usual manner.

Any necessary expenditure on staff redundancies will be met from the contingency fund, while any paid time in lieu of notice or holiday pay due to the staff member will be met from the MP's Staffing Expenditure budget. The level of redundancy payments covered is defined in the staff contracts as approved by IPSA.

MPs will not be reimbursed by IPSA for the payment of bonuses, but may claim for modest reward and recognition payments. The level of reward and recognition payments is left to the MP's discretion, but should be modest. The amounts of reward and recognition payments claimed for MPs' staff are published annually.

7.4 The following costs will be met centrally and will not be deducted from an MP's Staffing Expenditure budget:

- a. necessary expenditure on replacement staff to cover staff on maternity, paternity, or adoptive leave; and
- b. necessary expenditure on replacement staff to cover staff on long-term sick leave (i.e. longer than two weeks).

Limits

7.5 For London Area MPs, the annual Staffing Expenditure budget is £147,000. For MPs newly-elected at the General Election on 7 May, this budget is £134,750, which is 11 months' worth in accordance with paragraph 3.10.

7.6 For non-London Area MPs, the annual Staffing Expenditure budget is £140,000. For MPs newly-elected at the General Election on 7 May, this budget is £128,333, which is 11 months' worth in accordance with paragraph 3.10.

Conditions

7.7 The salaries of staff employed by an MP after 7 May 2010 will be paid by IPSA provided that the following conditions are satisfied:

- a. the member of staff is employed to do work that complies with one or more of the job descriptions published by IPSA;
- b. the member of staff's salary is within the relevant range published by IPSA for the job description in question;
- c. a contract of employment that complies with the model contract of employment published by IPSA from time to time has been signed by the relevant parties; and
- d. the MP has provided to IPSA proof that conditions a-c above have been satisfied and has obtained IPSA's approval to the contract of employment.

Model contracts and job descriptions, along with further guidance, can be found on IPSA's website: www.parliamentarystandards.org.uk.

When setting the pay for their staff, MPs should have regard to the terms of the wider public sector pay policy. Under the terms of this policy, public sector pay increases will be capped at an average of 1%.

The Personnel Advice Service (PAS), run by the House of Commons, provides HR advice to MPs in their role as employers, such as advice on staff recruitment, redundancies and employment law.

7.8 Paragraph 7.7 does not apply to apprentices. The salaries of apprentices employed by an MP after 7 May 2010 will be paid by IPSA provided that the following conditions are satisfied:

- a. the apprentice is employed on terms that meet the standards of the National Apprenticeship Scheme; and
- b. the terms of the employment and the job description have been provided to IPSA.

7.9 Paragraph 7.7b does not apply to employed interns. The salaries of employed interns engaged by an MP after 7 May 2010 will be paid by IPSA provided that the employment conditions comply with the requirements of National Minimum Wage legislation.

Employed internships are typically understood to be a period of workplace learning usually lasting between 3-12 months in a position which generally requires a higher level of qualification than other forms of work experience. Employed internships are believed to be a way for individuals to develop the skills and experience that may aid future employment opportunities.

7.10 Staff employed by the MP on 7 May 2010 may remain on job descriptions, salaries and contracts that do not conform to the conditions in paragraph 7.7 above.

7.11 Once the conditions set out in paragraph 7.7 have been fulfilled (or IPSA is satisfied that they will be fulfilled), IPSA may at its discretion pay the salaries of MPs' staff with effect from the commencement of the staff members' employment.

7.12 MPs who engage volunteers must submit a signed arrangement with the volunteer to IPSA before claims for incidental expenses can be made. The signed arrangement must comply with the model volunteer arrangement published by IPSA. Incidental expenses are limited to reasonable travel and food, and non-alcoholic drinks.

A model volunteer arrangement is available on IPSA's website: www.parliamentarystandards.org.uk.

7.13 MPs must notify IPSA whenever an arrangement with a volunteer comes to an end.

7.14 Volunteers are not required to carry out specific duties for the MP, and they are assisting the MP with his or her duties on a voluntary basis. Should the nature of the volunteer's work change so that they would be classified as an employee, the MP must contact IPSA and provide the individual with a contract of employment, subject to National Minimum Wage legislation.

It is the MP's responsibility to ensure that any volunteers are not in fact workers and therefore entitled to payment of a salary. Volunteers may receive incidental expenses only. For further advice, please see the advice from the Department of Business, Innovation and Skills, which is available on IPSA's website: www.parliamentarystandards.org.uk.

7.15 Staffing Expenditure may only be claimed for the salary of one employee who is a connected party, unless an MP employed more than one connected party on 7 May 2010. In that case the MP may continue to employ these connected parties until the parties in question cease to be employed or otherwise to provide staffing assistance.

7.16 IPSA will not accept any claims or requests for payments (including payment of overtime, increases in salary, addition of new staff members to payroll, or other changes to the staff complement) where these will take an MP over the relevant budget limit within the year.

Paragraph 7.16 does not affect the costs met centrally under paragraph 7.4.

- 7.17 Nothing in this Scheme shall be taken to affect the MP's position as the employer of his or her staff.

Employers' contributions to National Insurance

- 7.18 Employers' National Insurance contributions will be paid by IPSA for all members of staff for whom salaries are paid. These will be deducted from the budget for Staffing Expenditure. Employees' contributions will be deducted from salaries.

Pension scheme payments

- 7.19 IPSA will make employers' pension contributions (equal to 10% of the employee's salary), on the MP's behalf, to eligible employees for whom salaries are paid. Payments will be deducted from the Staffing Expenditure budget and made to the MPs' Staff Pension Scheme. Employees' contributions will be deducted from salaries.

Where staff members have been made redundant as a result of the MP who employs them leaving Parliament at the General Election on 7 May 2015, IPSA will continue to make pension contributions to their existing pension scheme until their employment with that MP ceases.

Salary sacrifice for employee benefits

- 7.20 An MP may request IPSA to make arrangements for employees to have access to benefits such as childcare voucher schemes through salary sacrifice arrangements. Payments from staff's salaries will be administered by IPSA. Any employer contributions will be deducted from the budget for Staffing Expenditure.

Guidance and associated documentation on salary sacrifice schemes can be found on IPSA's website: www.parliamentarystandards.org.uk.

CHAPTER EIGHT: START-UP, WINDING-UP AND PAYMENTS ON LEAVING OFFICE

A: START-UP

Purpose and eligibility

- 8.1 Start-Up Expenditure is designed to meet the costs of setting up one or more constituency offices as a new MP.
- 8.2 Start-Up Expenditure is available for MPs elected to Parliament for the first time for a particular constituency. Notwithstanding any budgetary limit applicable, IPSA may at its discretion limit the Start-Up Expenditure budget for individual MPs.

Start-Up Expenditure is intended to meet the costs of 'big-ticket' start-up items, such as computers, desks, re-decoration etc.

Duration and limit

- 8.3 The Start-up Expenditure budget is set at £6,000 and lasts for 365 days from the day after the date of election of the MP.
- 8.4 If a new MP has not exhausted the Start-Up Expenditure budget by the end of the financial year and part of the 365 day period remains, the remaining budget will be rolled over into the next financial year. Any unspent funds will expire 365 days after the day after the date of the MP's election.

B: WINDING-UP

Purpose and eligibility

- 8.5 Winding-Up Expenditure is designed to meet the cost of completing the outstanding parliamentary functions of a person who ceases to be an MP.

- 8.6 Winding-Up Expenditure is available to MPs when they are not re-elected to Parliament (whether or not this is because they do not stand at a General Election) or who leave the House during a Parliament. Former MPs may claim for expenses incurred for a maximum of two months after they cease to be MPs.
- 8.7 Winding-Up Expenditure may be claimed for the costs of concluding parliamentary functions, including:
- a. salary and National Insurance costs for any staff who continue to work for the MP (for a maximum of two months after the MP leaves Parliament);
 - b. other contractual liabilities for staff in respect of the period after the date of the General Election or after the MP otherwise leaves Parliament, such as any employer pension contributions, overtime worked, untaken holiday and pay in lieu of notice if allowed by staff contracts;
 - c. contractual liabilities for offices and/or equipment, such as office rent and utility bills, and equipment rental payments for the notice period;
 - d. travel costs where necessary for completion of parliamentary functions, with certification that the travel was for the purpose of closing down such functions;
 - e. any costs reasonably incurred under the terms of an office rental agreement, such as the costs of redecorating the office and making good dilapidations;
 - f. postage, stationery and telephone costs, subject to the rules in Chapter Six of this Scheme, with evidence that the claim relates to the conclusion of parliamentary functions;
 - g. the costs of removing items such as furniture from the MP's office;
 - h. other associated costs, such as the shredding of confidential waste or cleaning the hard disk of any IT equipment which has been purchased under the Scheme; and
 - i. the costs, including removal costs, of leaving any accommodation funded under the Scheme, but excluding redecoration and cleaning costs.

MPs who leave Parliament should make arrangements to dispose of their office equipment and furniture. MPs may choose to transfer these items to their successor or another MP, or donate equipment to a charity of their choice. If MPs make a profit from disposing of equipment, they should refund this to IPSA. MPs should dispose of any equipment safely and securely, in compliance with the Data Protection Act 1998. Before they leave Parliament, MPs can claim any disposal costs from their Office Costs Expenditure budget. After they leave Parliament, they can claim these costs from their Winding-Up budget.

- 8.8 The costs of staff redundancy payments will be met from the Contingency Fund.
- 8.9 MPs may continue to claim for accommodation rental payments and/or associated expenditure for a maximum of two months after leaving Parliament. These costs will be met from the Contingency Fund.
- 8.10 MPs who received disability or security assistance prior to leaving Parliament may continue to claim on the same basis for a maximum of two months after leaving Parliament.

Limit

- 8.11 For London Area MPs, the Winding-Up Expenditure budget is limited to a maximum of £57,150.
- 8.12 For non-London Area MPs, the Winding-Up Expenditure budget is limited to a maximum of £53,950.

C: PAYMENTS ON LEAVING OFFICE

Arrangements for the General Election on 7 May 2015 only

- 8.13 MPs will be eligible to receive a Resettlement Payment if they lose their seat at the General Election scheduled for 7 May 2015.
- 8.14 The amount of the Resettlement Payment payable is one calendar month's salary (at the rate payable to MPs immediately before polling day) for each completed year of service subject to a maximum payment equal to six months' salary.

Arrangements for subsequent General Elections

- 8.15 MPs will be eligible to receive a Loss of Office Payment if they lose their seat at a General Election after that scheduled for 7 May 2015.

- 8.16 The amount of the Loss of Office Payment will be equal to double the prevailing statutory redundancy entitlement.

Qualification

- 8.17 To qualify for the Resettlement Payment or Loss of Office Payment, the individual must have been an MP on the day before the dissolution of Parliament and a candidate for re-election for the same seat, but not re-elected.
- 8.18 Before receiving the relevant payment, MPs must ensure they make the following necessary arrangements to wind up their affairs, including:
- a. issuing redundancy notices to staff and sending instructions to IPSA;
 - b. repaying any outstanding debts to IPSA (such as repayment of advance loans, deposit loans, and overpaid expenses, and capital gains owed as a result of mortgage interest subsidy);
 - c. submitting all expense claims for the period running up to the election;
 - d. carrying out administrative tasks such as cancellation of the IPSA Payment Card; and
 - e. any other necessary tasks identified by IPSA.

PART D: OTHER SUPPORT

CHAPTER NINE: TRAVEL AND SUBSISTENCE EXPENDITURE

- 9.1 Travel and Subsistence claims may be made for the costs of travel, and travel-related subsistence expenditure undertaken by an MP or others, which are necessarily incurred in the performance of the MP's parliamentary functions.
- 9.2 MPs may claim for Travel and Subsistence Expenditure for journeys which are necessary for the performance of their parliamentary functions, and fall into one of the following categories:
- a. for MPs who are eligible for Accommodation Expenditure, journeys between any point in the constituency (or a home or office within 20 miles of their constituency boundary) and Westminster or a London Area home;
 - b. for MPs who are not eligible for Accommodation Expenditure, journeys between their constituency office and Westminster;
 - c. travel within the constituency or within 20 miles of the constituency boundary;
 - d. extended UK travel under paragraph 9.3; or
 - e. a maximum of three return journeys per year to the national Parliaments of Council of Europe member states, or institutions and agencies of the European Union.

Non-London Area MPs who choose to claim the London Area Living Payment are not eligible for Accommodation Expenditure, and cannot claim for journeys described in paragraph 9.2a. Journeys as described under paragraph 9.2b will be claimable in these circumstances. Paragraph 9.2b is not intended to allow London Area MPs to claim for their daily commute by first going into the office every day and visiting the office on the way back home. Rather, it is to allow for travel claims when MPs need to travel between Westminster and the constituency office in order to conduct constituency business.

Extended UK Travel

- 9.3 MPs may only claim for extended UK travel if they can demonstrate that the journey undertaken was made for at least one of the following reasons and if funding for the journey is not provided by another source.
- a. Journeys from Westminster or the constituency to anywhere in the UK if the journey was required for one of the following:

- i. a matter currently before the House;
 - ii. a matter currently before a Select Committee on which the MP serves;
 - iii. a journey made as part of an All Party Parliamentary Group (APPG) if the journey has been expressly and formally requested by the APPG;
 - iv. a constituent or general constituency matter; or
 - v. opposition front bench or shadow ministerial travel.
- b. Journeys from Westminster to the constituency (or vice versa) that involved a diversion for a non-parliamentary purpose. The maximum claimable fare is the anytime standard open fare of the direct journey between Westminster and the constituency.
 - c. Journeys necessarily incurred in the performance of the MP's parliamentary functions from anywhere in the UK to Westminster or the constituency. The amount that can be claimed is the lesser of the anytime standard open fare of the direct journey between the constituency and Westminster, or the value of the claim from the starting location to the destination.

9.4 Extended UK travel may not be claimed for:

- a. journeys made on Party business;
- b. travel related to a delegation to an international assembly;
- c. journeys made on Government business; or
- d. journeys made for the purpose of electioneering.

MPs should include explanatory notes when claiming for Extended UK Travel.

General conditions

9.5 Other than at paragraph 9.37 below, no claims will be payable for the cost of the daily commute to and from a place of work for MPs or a member of an MP's staff. This includes journeys between:

- a. Westminster and an MP's residence in the London Area; or
- b. an MP's constituency residence and his or her constituency office.

9.6 No claims will be payable for journeys which are undertaken for the purpose of carrying out ministerial functions, or for carrying out functions relating to an MP's role on an official delegation.

- 9.7 The MP should always have regard to whether any particular journey is necessary and to the most cost-effective way to undertake it. In particular, whatever means of transport is used, consideration should be given to whether potential savings to public funds could be made through the use of concessionary fares such as Oyster cards, season tickets, advance purchase or off-peak travel.

Specific conditions: public transport

- 9.8 For allowable journeys by public transport, MPs may buy a ticket of any class but (except where paragraph 9.9 applies) reimbursement will be limited to the rate of an economy class ticket available at the time of booking. In the case of air travel, 'economy' includes 'flexible economy'.
- 9.9 For allowable journeys made by rail, reimbursement will be limited to the rate of an 'anytime standard open' ticket for the journey prevalent at the time of the claim.

Information on standard open fares is included in the online expenses system, which will automatically check the cost of the relevant rail journey.

MPs should consider value for money when purchasing tickets which they may need to change at short notice. In the interest of saving money for the taxpayer MPs should exercise discretion and balance low cost, generally inflexible, tickets against the probability of cancellations and the charges they will incur.

- 9.10 MPs travelling on sleeper train services are additionally entitled to claim for a sleeper supplement for a single occupancy berth.

Both companies which provide sleeper train services within the UK (Scotrail and First Great Western) will allow travellers to purchase a single occupancy berth as a supplement to a standard class ticket. The single occupancy berth is the same berth as would be provided with a first class ticket.

No MP is expected to share a berth and IPSA will reimburse any claim that was necessary to secure a single berth.

- 9.11 Where an MP obtains a railcard or season ticket which allows savings to be made on future purchases of rail tickets, reimbursement of the cost of the railcard may be claimed.

Specific conditions: private transport

- 9.12 Private cars, motorcycles or bicycles may be used as an alternative to public transport where there is a specific need or it is cost-effective to do so. An MP undertaking a journey by private transport as the driver will be reimbursed in accordance with the rates set out in IPSA's guidance.

These rates are the standard rates set by Parliament and administered by HMRC. They are valid at the time of publication of this Scheme.

Motor mileage rate	To cover business travel by private motor car	45p per mile for the first 10,000 miles 25p per mile thereafter
Motor Cycle mileage rate	To cover business travel by private motor cycle	24p per mile
Bicycle mileage rate	To cover business travel by private cycle	20p per mile

- 9.13 Where more than one MP travels in the same car, only one of the MPs may submit a claim for the cost of each journey.
- 9.14 MPs using private transport may claim reimbursement of costs necessarily incurred in relation to their journey for parking charges, congestion zone charging and road tolls. Penalty charges or additional charges for late payment, or civil charges for traffic, parking or other violations will not be reimbursed.
- 9.15 Other than in the circumstances described at paragraph 9.37 below, taxi fares will only be reimbursed from Travel and Subsistence Expenditure when a journey by taxi is necessary because:
- no other reasonable method of transport is available for all or part of the journey; or
 - alternative methods of transport are impracticable due to pregnancy, disability, illness or injury of the MP or staff member.

Any reference to taxis in this Scheme includes any vehicle licensed by the Public Carriage Office or by the local authority. Licensed minicabs generally fall into this category.

When submitting claims for taxi journeys, MPs must include a note on the reasons why they took a taxi rather than using an alternative method of transport.

9.16 Hire cars may be used in the above circumstances where a saving to the public purse over the cost of using taxis can be demonstrated. MPs may claim for the cost of hiring the vehicle, of any fuel used, and insurance purchased.

9.17 A hire car may only be used for allowable journeys and must be used in accordance with the terms of hire. Where required, the car must be returned at the end of its hire with a full fuel tank, to avoid any penalty charges.

Travel by members of MPs' staff

9.18 Each MP may claim for Travel and Subsistence Expenditure for his or her staff to make up to 96 single journeys each year between (1) the MP's constituency office and/or home office registered under 6.10, and Westminster; and (2) for staff members who routinely work from a home office registered under 6.10, the home office and the MP's constituency office. This limit is the total for all staff employed by the MP, not per staff member.

9.19 MPs may also claim for Travel and Subsistence Expenditure in respect of the following journeys made by members of their staff:

- a. travel within the constituency or within 20 miles of the constituency boundary; and
- b. travel elsewhere within the UK for the purposes of relevant training.

Training may include attendance at conferences on subjects that are relevant to the MP's parliamentary functions. It does not include attendance at a party political conference or meeting.

9.20 All of the conditions at paragraphs 9.5 to 9.17 apply to travel by members of MPs' staff.

Travel by family members

9.21 Where MPs have caring responsibilities under paragraph 4.24, they may claim for journeys by the dependant in question. Such claims are limited to 30 single journeys between the MP's London Area residence and the constituency residence in each year for each dependant.

- 9.22 In the circumstances described in paragraph 9.21, where MPs share responsibility for caring with a spouse or partner, MPs may also claim for journeys by their spouse or partner made in exercise of that responsibility. Such claims are limited to 30 single journeys per person between the MP's London Area residence and the constituency residence in each year.
- 9.23 Where a dependant needs assistance from a carer other than an MP's spouse or partner while travelling on an allowable journey, the cost of the carer's journey may also be claimed.
- 9.24 A 'partner' is considered to be either a civil partner or cohabiting partner of the MP in question.
- 9.25 All of the conditions at paragraphs 9.5 to 9.17 apply to travel by MPs' family members, apart from paragraph 9.11.

Subsistence expenditure for MPs

- 9.26 MPs may claim for Travel and Subsistence Expenditure for the cost of an overnight hotel stay where they have travelled as part of their parliamentary functions, and it would be unreasonable to return to any residence either in the London Area or their constituency.
- 9.27 Travel and Subsistence Expenditure may not be claimed for hotel stays in the London Area except in the circumstances described in paragraph 9.38 below.
- 9.28 Where Travel and Subsistence Expenditure is claimed for hotel stays outside the United Kingdom, this is subject to an upper limit of £150 per night.

These will be claimed by the MP in the usual manner, but a conversion factor will be applied to convert the currency to pounds sterling.

- 9.29 Where Travel and Subsistence Expenditure is claimed for hotel stays inside the United Kingdom but outside the London Area, this is subject to an upper limit of £120 per night.

- 9.30 MPs may claim for the cost of purchasing food and non-alcoholic drinks where they have necessarily stayed overnight neither in the London Area nor their constituency. This is limited to £25 for each night.

Subsistence expenditure for carers

- 9.31 Where a dependant needs assistance from a carer other than an MP's spouse or partner while travelling on an allowable journey, the cost of the carer's necessary overnight hotel stay and subsistence may also be claimed.
- 9.32 For hotel stays the following upper limits apply for each carer:
- a. for hotels within the London Area, £150 per night; and
 - b. for hotels outside the London Area, £120 per night.
- 9.33 Subsistence is subject to an upper limit of £25 for each night for food and non-alcoholic drinks.

Subsistence expenditure for staff

- 9.34 MPs may claim for the cost of an overnight hotel for a member of their staff, where the staff member has travelled in the circumstances set out in paragraphs 9.18 or 9.19. Such claims may be made only when it would be unreasonable to return to any residence.
- 9.35 MPs may claim reimbursement for subsistence for their staff members if the staff member stays overnight in a hotel having travelled in the circumstances set out in paragraphs 9.18 or 9.19. Expenditure is limited to £25 for each night for food and non-alcoholic drinks.
- 9.36 For hotel stays the upper limits set out in paragraph 9.32 also apply for each staff member.

Specific provision for late sittings of the House of Commons

- 9.37 Where the House of Commons sits beyond 11pm, an MP may claim for a taxi fare for a journey from the House of Commons to a London Area residence (or a hotel claimed under

paragraph 9.38). Claims for taxi fares will be subject to an upper limit of £80 for each such journey.

9.38 Where the House of Commons sits beyond 1am, an MP may claim for the cost of an overnight stay in a hotel and also the cost of a taxi under paragraph 9.37. Claims for hotels will be subject to an upper limit of £150 per night for each such stay.

9.39 If in exceptional circumstances, under paragraph 9.38 only, an MP is unable to find a hotel for £150 or less, he or she may claim for the total cost, providing he or she has evidence which shows why it was not possible to find a hotel within the budget.

MPs may wish to have regard to the HMRC's guidance on the tax status of claims for hotels and late-night taxis, which is available on IPSA's website: www.parliamentarystandards.org.uk.

CHAPTER TEN: MISCELLANEOUS EXPENDITURE AND FINANCIAL ASSISTANCE

A: DISABILITY ASSISTANCE

- 10.1 Disability Assistance may be claimed by any MP for necessary additional expenditure incurred in the performance of an MP's parliamentary functions which is reasonably attributable to a disability of an MP, a staff member, a job applicant or constituents visiting the office or surgery.
- 10.2 In addition to the expenditure for which claims may be made under other parts of this Scheme, Disability Assistance may be claimed to meet the costs of any 'reasonable adjustments' required by the Equality Act 2010 including:
- a. staff and associated costs;
 - b. IT and other specialist equipment;
 - c. office furniture;
 - d. necessary adjustments to office premises or accommodation;
 - e. necessary costs of securing larger office premises or accommodation; and
 - f. necessary additional travel costs (including for carers or support staff where necessary).

Conditions

- 10.3 A claim for Disability Assistance must be accompanied by a clear statement of the nature of the disability in question and the assistance required.
- 10.4 Claims for Disability Assistance can only be made for additional funding required by the MP which affects their ability to perform their parliamentary functions outside the Parliamentary Estate. There is no set limit on the amount of Disability Assistance an MP may receive; the level of allowable claims will be decided on a case by case basis.

It will not always be necessary for MPs or staff to undergo an assessment of their disability in order to determine what reasonable adjustments are required. In many cases, the individual will already understand what is needed. However, if such an assessment is required, the cost should be claimed under Disability Assistance.

MPs are recommended to seek prior approval for claims, especially if there is a large cost involved – for example, for buying specialist equipment IPSA will require an estimate of costs of the additional assistance in order to grant prior approval.

In some circumstances, particularly where a large cost is involved, IPSA may require an independent assessment of the disability to be provided.

If an MP or staff member has a temporary or minor injury which does not constitute a disability, for example a broken leg, it may be more suitable for them to claim for any required additional assistance from the Contingency Fund.

B: SECURITY ASSISTANCE

- 10.5 Security Assistance may be claimed for additional security measures that are necessary to enable the MP's parliamentary functions to be undertaken.

Routine security measures should be claimed from the Office Costs Expenditure or Accommodation Expenditure budgets.

- 10.6 A claim may be made by any MP who considers that measures are necessary to safeguard the MP, or the MP's staff or equipment at any location outside the Parliamentary Estate where assistance towards the provision of such measures is not available from the House of Commons.

Conditions

- 10.7 IPSA will not accept a claim for Security Assistance unless:
- a. it is provided with a copy of a report by a police force or security agency setting out the grounds for the proposed expenditure; and
 - b. it is satisfied that the MP's ability to perform the MP's parliamentary functions in safety would be significantly impaired if the claim is not accepted.
- 10.8 Any claim for Security Assistance should be approved in principle before any contract is entered into to incur the expenditure. The in principle claim should be accompanied with an estimate of the costs to be incurred, obtained from a reliable supplier.

The term 'security agency' at paragraph 10.7a refers to the Home Office's Office for Security and Counter Terrorism, the Cabinet Office, the House of Commons Serjeant at Arms' office, the Parliamentary Security Coordinator or the Palace of Westminster Police. If an MP has extra security needs over and above what is set out elsewhere in the Scheme then he or she should follow the steps outlined below.

MPs who consider that they have extra security requirements should in the first instance contact the IPSA Security Officer via email at info@parliamentarystandards.org.uk.

MPs will be asked to outline briefly their reasons for the extra security, the contact details of the security agency/police advisor who has recommended this course of action and two estimates of the cost of the work. At this time IPSA will ask the security agency/police advisor for a written statement of the risks and their advice for extra support from IPSA. All police security assessments should be signed off by officers at or above the rank of Chief Inspector. IPSA will then contact the security agency/police adviser to verify the statement and if content, process the application and advise the MP.

C: INSURANCE

10.9 In addition to any insurance which is payable under Chapters 4, 6 and 9 of this Scheme, MPs may claim in respect of premium payments for the following types of insurance:

- a. Employer's Liability Insurance, up to a limit of £10,000,000;
- b. Public Liability Insurance, up to a limit of £5,000,000; and
- c. Travel Insurance, to cover travel under paragraph 9.2e.

10.10 No claim may be made under paragraph 10.9 if the MP is otherwise provided with the type of insurance in question by the House of Commons or by IPSA.

Employer's Liability and Public Liability Insurance is provided by the House of Commons for the financial year 2015-16. If an MP is provided with such insurance by the House of Commons, he or she should not claim for the costs of this insurance through IPSA.

D: CONTINGENCY PAYMENTS

10.11 Where an MP necessarily incurs expenditure or liability for expenditure related to the performance of the MP's parliamentary functions which is not covered by any of the budgets set out in this Scheme or, if it is covered by one or more of those budgets, it exceeds any

financial limit that may apply, the MP may apply to IPSA to be reimbursed on an exceptional basis in respect of that expenditure.

10.12 IPSA may decide to accept or reject an application under paragraph 10.11 at its sole discretion, and in considering its decision shall take into account the following factors:

- a. whether there are exceptional circumstances warranting additional support;
- b. whether the MP could reasonably have been expected to take any action to avoid the circumstances which gave rise to the expenditure or liability; and
- c. whether the MP's performance of parliamentary functions will be significantly impaired by a refusal of the claim.

To be considered for a contingency payment, MPs must complete a request which sets out the following:

- *a clear description of the situation;*
- *a declaration that refusal of the claim will significantly affect their ability to perform their parliamentary functions and how this is the case; and*
- *a declaration that they could not have foreseen or prevented the expenditure or liability and how this is the case.*

MPs should set out clearly the exceptional circumstance that resulted in the expenditure. If an MP runs out of funds at the end of the year when there is no exceptional reason why those funds have been exhausted, contingency funding will not be available to top up the MP's budget.

To ensure that their application contains all the necessary information, MPs should use the form available on IPSA's website: www.parliamentarystandards.org.uk.

While it is understood that claims for contingency payments will vary in nature, it is expected that MPs should seek prior approval for claims. IPSA will require an estimate of costs involved in order to grant prior approval.

Any necessary expenditure on staff redundancies will be met from the contingency fund; any payment in lieu of notice or holiday pay due to the staff member will be met from the MP's Staffing Expenditure budget.

Temporary or Minor Injury

If an MP sustains an injury which is minor or temporary in nature and which they can demonstrate will significantly affect their ability to perform their parliamentary functions, he or she may receive necessary additional financial assistance away from the Parliamentary Estate for the period for which the injury will affect him or her. This can be claimed as a contingency payment. An example of this could be an MP who breaks his or her leg and who requires short-term additional financial assistance (away from the Parliamentary Estate). The MP must follow the normal procedure to apply for a

contingency payment. The MP would also have to provide IPSA with a note from his or her GP or the House of Commons Safety Health and Wellbeing Service setting out what the injury is and for how long it is likely to affect him or her, as well as any receipts which show the additional payments made. (Please note MPs are already able to claim for some journeys by taxi due to injury as under paragraph 9.15b of the Scheme).

In cases of claims for additional assistance as a result of a temporary or minor injury, IPSA reserves the right to request a medical report if it feels the injury is more significant or permanent and therefore should be claimed through Disability Assistance.

Example of a contingency claim which is likely to be accepted

If an MP were to ask for an extrication payment to cover the costs of ending an expensive printer lease, this is likely to be accepted where the MP can show that this would present good value to the taxpayer. It may be possible to show this where the costs of continuing the lease would be greater than the cost of ending it.

Example of a contingency claim which is likely to be rejected

If an MP were to ask for a contingency payment to cover the cost of replacing stolen contents from their constituency office this claim would be rejected. This is because the MP could have foreseen or prevented the expenditure or liability by claiming for contents insurance for their constituency office. It may be decided that the MP should have taken responsibility to ensure that the contents were insured, the cost of which was already claimable, and therefore should not receive any additional assistance.

E: RECALL OF PARLIAMENT

10.13 IPSA will, in the event of a recall of Parliament during Recess, settle claims for any reasonable travel by an MP and his or her spouse/partner and/or dependants to Westminster or an MP's London Area residence. This includes international travel back to the UK and may include return travel to the foreign location, where necessary. MPs will be expected to travel standard class or equivalent unless they have no alternative or there is a more cost-effective option available.

F: EXPENDITURE DURING THE DISSOLUTION PERIOD

10.14 During the period between the dissolution of Parliament and the day after polling day the following restrictions will apply to claims made under this Scheme.

- 10.15 Accommodation Expenditure may be claimed in accordance with Chapter Four of the Scheme.
- 10.16 Office Costs Expenditure may be claimed for the performance of parliamentary functions only. Office equipment and supplies purchased for the performance of parliamentary functions may not be used for party political activities. An MP who intends to use his or her IPSA funded office for any activities connected with the election may only claim the proportion of the rent, utilities and other costs which relates to parliamentary activity.
- 10.17 Staffing Expenditure may not be claimed for any party political activity. Staff wishing to undertake party political activity must not do so during their working hours and must instead take paid or unpaid leave. If a staff member plans to take unpaid leave, the MP must notify IPSA in advance, so that pay adjustments can be made.
- 10.18 Travel and Subsistence Expenditure for MPs will be restricted to one single journey from Westminster to the MP's residence or any point in his or her constituency. MPs who are standing down at the General Election may also claim for two return journeys between the MP's residence or any point in his or her constituency and Westminster. MPs may also claim for one single journey back to the MP's residence or constituency for any dependant (as defined by paragraph 4.24). Staff may claim one single journey to return to their normal place of work. Staff may also claim for travel between the MP's constituency office and Westminster in accordance with paragraph 9.18 of the Scheme. All of the conditions set out in Chapter Nine of the Scheme apply to travel during the dissolution period.
- 10.19 For the six months prior to the expected dissolution of Parliament, claims for purchases of office equipment, IT and furniture under Office Costs Expenditure will not be allowed. In exceptional circumstances where such purchases are necessary, prior approval from IPSA will be required. In the event of a General Election held before the next scheduled General Election (under the Fixed-term Parliaments Act 2011), such claims will not be allowed from the date of dissolution.

*Further information about expenditure during dissolution and the support that IPSA provides to MPs before and after the General Election can be found on IPSA's website:
www.parliamentarystandards.org.uk.*

G: NECESSARY FINANCIAL ASSISTANCE, INCLUDING ADVANCE LOANS

- 10.20 In addition to any other payments or assistance provided by this Scheme, IPSA may, in its discretion and on an individual basis, pay claims with such additional financial assistance as it deems necessary to MPs to assist them to carry out their parliamentary functions effectively.
- 10.21 MPs elected at the General Election on 7 May 2015 may apply for an interest-free advance loan of up to £4,000. The advance loan is repayable in full by 31 March 2016 or, if the MP leaves Parliament before this date, any outstanding amount will be repayable in full on the date the MP leaves office.

This advance loan is to assist with cash-flow and help MPs to cover any costs they incur that are allowed under the Scheme and are exclusively in furtherance of their parliamentary functions. This is not for use on personal expenditure or expenses that would be outside the Scheme.

MPs wishing to request an advance loan should complete the application form on IPSA's website: www.parliamentarystandards.org.uk. MPs may repay the advance loan in full, or in part, at any time before the specified date.

SCHEDULE 1: LIST OF CONSTITUENCIES IN THE LONDON AREA

1	Barking	42	Hackney North and Stoke Newington
2	Battersea	43	Hackney South and Shoreditch
3	Beaconsfield	44	Hammersmith
4	Beckenham	45	Hampstead and Kilburn
5	Bermondsey and Old Southwark	46	Harlow
6	Bethnal Green and Bow	47	Harrow East
7	Bexleyheath and Crayford	48	Harrow West
8	Brent Central	49	Hayes and Harlington
9	Brent North	50	Hendon
10	Brentford and Isleworth	51	Hertford and Stortford
11	Brentwood and Ongar	52	Hertsmere
12	Bromley and Chislehurst	53	Holborn and St Pancras
13	Broxbourne	54	Hornchurch and Upminster
14	Camberwell and Peckham	55	Hornsey and Wood Green
15	Carshalton and Wallington	56	Ilford North
16	Chelsea and Fulham	57	Ilford South
17	Chingford and Woodford Green	58	Islington North
18	Chipping Barnet	59	Islington South and Finsbury
19	Cities of London and Westminster	60	Kensington
20	Croydon Central	61	Kingston and Surbiton
21	Croydon North	62	Lewisham East
22	Croydon South	63	Lewisham West and Penge
23	Dagenham and Rainham	64	Lewisham, Deptford
24	Dartford	65	Leyton and Wanstead
25	Dulwich and West Norwood	66	Mitcham and Morden
26	Ealing Central and Acton	67	Mole Valley
27	Ealing North	68	Old Bexley and Sidcup
28	Ealing, Southall	69	Orpington
29	East Ham	70	Poplar and Limehouse
30	East Surrey	71	Putney
31	Edmonton	72	Reigate
32	Eltham	73	Richmond Park
33	Enfield North	74	Romford
34	Enfield, Southgate	75	Ruislip, Northwood and Pinner
35	Epping Forest	76	Runnymede and Weybridge
36	Epsom and Ewell	77	Sevenoaks
37	Erith and Thamesmead	78	Slough
38	Esher and Walton	79	South West Hertfordshire
39	Feltham and Heston	80	Spelthorne
40	Finchley and Golders Green	81	St Albans
41	Greenwich and Woolwich	82	Streatham

- 83 Sutton and Cheam
- 84 Thurrock
- 85 Tooting
- 86 Tottenham
- 87 Twickenham
- 88 Uxbridge and South Ruislip
- 89 Vauxhall
- 90 Walthamstow
- 91 Watford
- 92 Welwyn Hatfield
- 93 West Ham
- 94 Westminster North
- 95 Wimbledon
- 96 Windsor

**SCHEDULE 2: LIST OF CONSTITUENCIES WHOSE MPs ARE ELIGIBLE FOR ADDITIONAL
LONDON AREA LIVING PAYMENT OF £1,330 PER YEAR**

- | | |
|----|--------------------------|
| 1 | Beaconsfield |
| 2 | Brentwood and Ongar |
| 3 | Broxbourne |
| 4 | Dartford |
| 5 | East Surrey |
| 6 | Epping Forest |
| 7 | Epsom and Ewell |
| 8 | Esher and Walton |
| 9 | Harlow |
| 10 | Hertford and Stortford |
| 11 | Hertsmere |
| 12 | Mole Valley |
| 13 | Reigate |
| 14 | Runnymede and Weybridge |
| 15 | Sevenoaks |
| 16 | Slough |
| 17 | South West Hertfordshire |
| 18 | Spelthorne |
| 19 | St Albans |
| 20 | Thurrock |
| 21 | Watford |
| 22 | Welwyn Hatfield |
| 23 | Windsor |

ANNEX A: SUMMARY OF BUDGETS FOR 2015-16

Budget heading	Area	Annual budget (12 month, for standing and re-elected MPs)	11 month budget (newly-elected MPs)	3 month budget (standing down MPs or MPs if defeated)
Accommodation Expenditure (for MPs claiming for rental payments)	Renting in the London Area	£20,600	£18,883	£5,150
	Non-London Area (Band A)	£15,650	£14,346	£3,913
	Non-London Area (Band B)	£14,200	£13,017	£3,550
	Non-London Area (Band C)	£12,800	£11,733	£3,200
	Non-London Area (Band D)	£11,350	£10,404	£2,838
	Non-London Area (Band E)	£10,400	£9,533	£2,600
Accommodation Expenditure – associated expenditure only (for MPs who own their own homes)	N/A	£8,850	£8,113	£2,213
Office Costs Expenditure (OCE)	London Area	£26,050	£23,879	£6,513
	Non-London Area	£23,400	£21,450	£5,850
Staffing Expenditure	London Area	£147,000	£134,750	£36,750
	Non-London Area	£140,000	£128,333	£35,000
Winding Up	London Area	£57,150	-	-
	Non-London Area	£53,950	-	-
Start Up (for new MPs for first 365 days)	N/A	£6,000	-	-
London Area Living Payment (LALP)	For eligible MPs on a monthly basis	£3,760	£3,447	£940
Additional London Area Living Payment	For eligible MPs on a monthly basis	£1,330	£1,219	£333
Accommodation Expenditure - uplift for MPs with dependants (for MPs claiming for rent)	Per eligible dependant per year	Up to £2,425	Up to £2,223	Up to £606

Please refer to the rules under the Scheme for full details about the budgets, eligibility criteria and prorating arrangements due to the General Election.

Further guidance is available on IPSA's website: www.parliamentarystandards.org.uk.

ANNEX B: BANDINGS FOR ACCOMMODATION EXPENDITURE

Constituency Name	Band	Total Accommodation Budget Limit (Annual)
Aberavon	E	£10,400
Aberconwy	D	£11,350
Aberdeen North	D	£11,350
Aberdeen South	D	£11,350
Airdrie and Shotts	E	£10,400
Aldershot	A	£15,650
Aldridge-Brownhills	E	£10,400
Altrincham and Sale West	D	£11,350
Alyn and Deeside	E	£10,400
Amber Valley	E	£10,400
Angus	E	£10,400
Arfon	D	£11,350
Argyll and Bute	E	£10,400
Arundel and South Downs	C	£12,800
Ashfield	E	£10,400
Ashford	D	£11,350
Ashton-under-Lyne	E	£10,400
Aylesbury	C	£12,800
Ayr, Carrick and Cumnock	E	£10,400
Banbury	C	£12,800
Banff and Buchan	D	£11,350
Barnsley Central	E	£10,400
Barnsley East	E	£10,400
Barrow and Furness	E	£10,400
Basildon and Billericay	A	£15,650
Basingstoke	A	£15,650
Bassetlaw	E	£10,400
Bath	A	£15,650
Batley and Spen	E	£10,400
Bedford	D	£11,350
Belfast East	D	£11,350
Belfast North	D	£11,350
Belfast South	E	£10,400
Belfast West	D	£11,350
Berwickshire, Roxburgh and Selkirk	E	£10,400
Berwick-upon-Tweed	E	£10,400
Beverley and Holderness	E	£10,400
Bexhill and Battle	D	£11,350
Birkenhead	D	£11,350
Birmingham, Edgbaston	D	£11,350
Birmingham, Erdington	D	£11,350
Birmingham, Hall Green	D	£11,350
Birmingham, Hodge Hill	D	£11,350
Birmingham, Ladywood	D	£11,350

Birmingham, Northfield	D	£11,350
Birmingham, Perry Barr	D	£11,350
Birmingham, Selly Oak	D	£11,350
Birmingham, Yardley	D	£11,350
Bishop Auckland	E	£10,400
Blackburn	E	£10,400
Blackley and Broughton	C	£12,800
Blackpool North and Cleveleys	D	£11,350
Blackpool South	D	£11,350
Blaenau Gwent	E	£10,400
Blaydon	D	£11,350
Blyth Valley	E	£10,400
Bognor Regis and Littlehampton	C	£12,800
Bolsover	E	£10,400
Bolton North East	E	£10,400
Bolton South East	E	£10,400
Bolton West	E	£10,400
Bootle	D	£11,350
Boston and Skegness	E	£10,400
Bosworth	E	£10,400
Bournemouth East	C	£12,800
Bournemouth West	C	£12,800
Bracknell	B	£14,200
Bradford East	E	£10,400
Bradford South	E	£10,400
Bradford West	E	£10,400
Braintree	D	£11,350
Brecon and Radnorshire	E	£10,400
Bridgend	E	£10,400
Bridgwater and West Somerset	D	£11,350
Brigg and Goole	E	£10,400
Brighton, Kemptown	A	£15,650
Brighton, Pavilion	A	£15,650
Bristol East	B	£14,200
Bristol North West	B	£14,200
Bristol South	B	£14,200
Bristol West	B	£14,200
Broadland	D	£11,350
Bromsgrove	D	£11,350
Broxtowe	D	£11,350
Buckingham	C	£12,800
Burnley	E	£10,400
Burton	D	£11,350
Bury North	E	£10,400
Bury South	E	£10,400
Bury St. Edmunds	D	£11,350
Caerphilly	E	£10,400
Caithness, Sutherland and Easter Ross	E	£10,400
Calder Valley	E	£10,400
Camborne and Redruth	C	£12,800

Cambridge	A	£15,650
Cannock Chase	D	£11,350
Canterbury	C	£12,800
Cardiff Central	D	£11,350
Cardiff North	D	£11,350
Cardiff South and Penarth	D	£11,350
Cardiff West	D	£11,350
Carlisle	E	£10,400
Carmarthen East and Dinefwr	E	£10,400
Carmarthen West and South Pembrokeshire	E	£10,400
Castle Point	A	£15,650
Central Ayrshire	E	£10,400
Central Devon	C	£12,800
Central Suffolk and North Ipswich	D	£11,350
Ceredigion	D	£11,350
Charnwood	D	£11,350
Chatham and Aylesford	A	£15,650
Cheadle	D	£11,350
Chelmsford	A	£15,650
Cheltenham	C	£12,800
Chesham and Amersham	A	£15,650
Chesterfield	E	£10,400
Chichester	C	£12,800
Chippenham	D	£11,350
Chorley	D	£11,350
Christchurch	C	£12,800
City of Chester	D	£11,350
City of Durham	E	£10,400
Clacton	D	£11,350
Cleethorpes	E	£10,400
Clwyd South	E	£10,400
Clwyd West	D	£11,350
Coatbridge, Chryston and Bellshill	E	£10,400
Colchester	D	£11,350
Colne Valley	E	£10,400
Congleton	D	£11,350
Copeland	E	£10,400
Corby	E	£10,400
Coventry North East	D	£11,350
Coventry North West	D	£11,350
Coventry South	D	£11,350
Crawley	A	£15,650
Crewe and Nantwich	D	£11,350
Cumbernauld, Kilsyth and Kirkintilloch East	E	£10,400
Cynon Valley	E	£10,400
Darlington	E	£10,400
Daventry	D	£11,350
Delyn	E	£10,400
Denton and Reddish	E	£10,400
Derby North	E	£10,400

Derby South	E	£10,400
Derbyshire Dales	D	£11,350
Devizes	C	£12,800
Dewsbury	E	£10,400
Don Valley	E	£10,400
Doncaster Central	E	£10,400
Doncaster North	E	£10,400
Dover	D	£11,350
Dudley North	E	£10,400
Dudley South	E	£10,400
Dumfries and Galloway	E	£10,400
Dumfriesshire, Clydesdale and Tweeddale	E	£10,400
Dundee East	E	£10,400
Dundee West	E	£10,400
Dunfermline and West Fife	E	£10,400
Dwyfor Meirionnydd	E	£10,400
Easington	E	£10,400
East Antrim	E	£10,400
East Devon	C	£12,800
East Dunbartonshire	E	£10,400
East Hampshire	B	£14,200
East Kilbride, Strathaven and Lesmahagow	E	£10,400
East Londonderry	E	£10,400
East Lothian	E	£10,400
East Renfrewshire	E	£10,400
East Worthing and Shoreham	C	£12,800
East Yorkshire	E	£10,400
Eastbourne	D	£11,350
Eastleigh	C	£12,800
Eddisbury	D	£11,350
Edinburgh East	E	£10,400
Edinburgh North and Leith	E	£10,400
Edinburgh South	E	£10,400
Edinburgh South West	E	£10,400
Edinburgh West	E	£10,400
Ellesmere Port and Neston	D	£11,350
Elmet and Rothwell	D	£11,350
Erewash	D	£11,350
Exeter	C	£12,800
Falkirk	E	£10,400
Fareham	C	£12,800
Faversham and Mid Kent	C	£12,800
Fermanagh and South Tyrone	E	£10,400
Filton and Bradley Stoke	B	£14,200
Folkestone and Hythe	D	£11,350
Forest of Dean	C	£12,800
Foyle	E	£10,400
Fylde	D	£11,350
Gainsborough	E	£10,400
Garston and Halewood	D	£11,350

Gateshead	D	£11,350
Gedling	D	£11,350
Gillingham and Rainham	D	£11,350
Glasgow Central	E	£10,400
Glasgow East	E	£10,400
Glasgow North	E	£10,400
Glasgow North East	E	£10,400
Glasgow North West	E	£10,400
Glasgow South	E	£10,400
Glasgow South West	E	£10,400
Glenrothes	E	£10,400
Gloucester	C	£12,800
Gordon	D	£11,350
Gosport	C	£12,800
Gower	D	£11,350
Grantham and Stamford	E	£10,400
Gravesham	A	£15,650
Great Grimsby	E	£10,400
Great Yarmouth	E	£10,400
Guildford	A	£15,650
Halesowen and Rowley Regis	E	£10,400
Halifax	E	£10,400
Haltemprice and Howden	E	£10,400
Halton	D	£11,350
Harborough	D	£11,350
Harrogate and Knaresborough	D	£11,350
Hartlepool	E	£10,400
Harwich and North Essex	D	£11,350
Hastings and Rye	D	£11,350
Havant	C	£12,800
Hazel Grove	D	£11,350
Hemel Hempstead	A	£15,650
Hemsworth	E	£10,400
Henley	A	£15,650
Hereford and South Herefordshire	E	£10,400
Hexham	D	£11,350
Heywood and Middleton	E	£10,400
High Peak	D	£11,350
Hitchin and Harpenden	A	£15,650
Horsham	B	£14,200
Houghton and Sunderland South	E	£10,400
Hove	A	£15,650
Huddersfield	E	£10,400
Huntingdon	D	£11,350
Hyndburn	E	£10,400
Inverclyde	E	£10,400
Inverness, Nairn, Badenoch and Strathspey	E	£10,400
Ipswich	D	£11,350
Isle of Wight	D	£11,350
Islwyn	E	£10,400

Jarrow	D	£11,350
Keighley	E	£10,400
Kenilworth and Southam	D	£11,350
Kettering	E	£10,400
Kilmarnock and Loudoun	E	£10,400
Kingston upon Hull East	E	£10,400
Kingston upon Hull North	E	£10,400
Kingston upon Hull West and Hessle	E	£10,400
Kingswood	B	£14,200
Kirkcaldy and Cowdenbeath	E	£10,400
Knowsley	D	£11,350
Lagan Valley	E	£10,400
Lanark and Hamilton East	E	£10,400
Lancaster and Fleetwood	E	£10,400
Leeds Central	D	£11,350
Leeds East	D	£11,350
Leeds North East	D	£11,350
Leeds North West	D	£11,350
Leeds West	D	£11,350
Leicester East	D	£11,350
Leicester South	D	£11,350
Leicester West	D	£11,350
Leigh	E	£10,400
Lewes	A	£15,650
Lichfield	D	£11,350
Lincoln	E	£10,400
Linlithgow and East Falkirk	E	£10,400
Liverpool, Riverside	D	£11,350
Liverpool, Walton	D	£11,350
Liverpool, Wavertree	D	£11,350
Liverpool, West Derby	D	£11,350
Livingston	E	£10,400
Llanelli	E	£10,400
Loughborough	D	£11,350
Louth and Horncastle	E	£10,400
Ludlow	D	£11,350
Luton North	A	£15,650
Luton South	A	£15,650
Macclesfield	D	£11,350
Maidenhead	A	£15,650
Maidstone and The Weald	C	£12,800
Makerfield	E	£10,400
Maldon	C	£12,800
Manchester Central	C	£12,800
Manchester, Gorton	C	£12,800
Manchester, Withington	C	£12,800
Mansfield	E	£10,400
Meon Valley	B	£14,200
Meriden	D	£11,350
Merthyr Tydfil and Rhymney	E	£10,400

Mid Bedfordshire	D	£11,350
Mid Derbyshire	E	£10,400
Mid Dorset and North Poole	C	£12,800
Mid Norfolk	D	£11,350
Mid Sussex	A	£15,650
Mid Ulster	E	£10,400
Mid Worcestershire	D	£11,350
Middlesbrough	E	£10,400
Middlesbrough South and East Cleveland	E	£10,400
Midlothian	E	£10,400
Milton Keynes North	A	£15,650
Milton Keynes South	A	£15,650
Monmouth	D	£11,350
Montgomeryshire	E	£10,400
Moray	E	£10,400
Morecambe and Lunesdale	E	£10,400
Morley and Outwood	D	£11,350
Motherwell and Wishaw	E	£10,400
Na h-Eileanan an Iar	E	£10,400
Neath	E	£10,400
New Forest East	C	£12,800
New Forest West	C	£12,800
Newark	E	£10,400
Newbury	C	£12,800
Newcastle upon Tyne Central	D	£11,350
Newcastle upon Tyne East	D	£11,350
Newcastle upon Tyne North	D	£11,350
Newcastle-under-Lyme	E	£10,400
Newport East	E	£10,400
Newport West	E	£10,400
Newry and Armagh	E	£10,400
Newton Abbot	D	£11,350
Normanton, Pontefract and Castleford	E	£10,400
North Antrim	E	£10,400
North Ayrshire and Arran	E	£10,400
North Cornwall	E	£10,400
North Devon	D	£11,350
North Dorset	D	£11,350
North Down	E	£10,400
North Durham	E	£10,400
North East Bedfordshire	A	£15,650
North East Cambridgeshire	D	£11,350
North East Derbyshire	E	£10,400
North East Fife	E	£10,400
North East Hampshire	A	£15,650
North East Hertfordshire	A	£15,650
North East Somerset	A	£15,650
North Herefordshire	E	£10,400
North Norfolk	D	£11,350
North Shropshire	D	£11,350

North Somerset	B	£14,200
North Swindon	C	£12,800
North Thanet	E	£10,400
North Tyneside	D	£11,350
North Warwickshire	D	£11,350
North West Cambridgeshire	D	£11,350
North West Durham	E	£10,400
North West Hampshire	B	£14,200
North West Leicestershire	D	£11,350
North West Norfolk	E	£10,400
North Wiltshire	D	£11,350
Northampton North	D	£11,350
Northampton South	D	£11,350
Norwich North	D	£11,350
Norwich South	D	£11,350
Nottingham East	D	£11,350
Nottingham North	D	£11,350
Nottingham South	D	£11,350
Nuneaton	E	£10,400
Ochil and South Perthshire	E	£10,400
Ogmore	E	£10,400
Oldham East and Saddleworth	E	£10,400
Oldham West and Royton	E	£10,400
Orkney and Shetland	E	£10,400
Oxford East	A	£15,650
Oxford West and Abingdon	A	£15,650
Paisley and Renfrewshire North	E	£10,400
Paisley and Renfrewshire South	E	£10,400
Pendle	E	£10,400
Penistone and Stocksbridge	D	£11,350
Penrith and The Border	E	£10,400
Perth and North Perthshire	E	£10,400
Peterborough	D	£11,350
Plymouth, Moor View	D	£11,350
Plymouth, Sutton and Devonport	D	£11,350
Pontypridd	E	£10,400
Poole	C	£12,800
Portsmouth North	C	£12,800
Portsmouth South	C	£12,800
Preseli Pembrokeshire	E	£10,400
Preston	D	£11,350
Pudsey	D	£11,350
Rayleigh and Wickford	C	£12,800
Reading East	A	£15,650
Reading West	A	£15,650
Redcar	E	£10,400
Redditch	D	£11,350
Rhondda	E	£10,400
Ribble Valley	E	£10,400
Richmond (Yorks)	E	£10,400

Rochdale	E	£10,400
Rochester and Strood	A	£15,650
Rochford and Southend East	C	£12,800
Romsey and Southampton North	C	£12,800
Ross, Skye and Lochaber	E	£10,400
Rossendale and Darwen	E	£10,400
Rother Valley	E	£10,400
Rotherham	E	£10,400
Rugby	D	£11,350
Rushcliffe	D	£11,350
Rutherglen and Hamilton West	E	£10,400
Rutland and Melton	D	£11,350
Saffron Walden	C	£12,800
Salford and Eccles	C	£12,800
Salisbury	C	£12,800
Scarborough and Whitby	E	£10,400
Scunthorpe	E	£10,400
Sedgefield	E	£10,400
Sefton Central	D	£11,350
Selby and Ainsty	D	£11,350
Sheffield Central	D	£11,350
Sheffield South East	D	£11,350
Sheffield, Brightside and Hillsborough	D	£11,350
Sheffield, Hallam	D	£11,350
Sheffield, Heeley	D	£11,350
Sherwood	E	£10,400
Shipley	E	£10,400
Shrewsbury and Atcham	D	£11,350
Sittingbourne and Sheppey	D	£11,350
Skipton and Ripon	E	£10,400
Sleaford and North Hykeham	E	£10,400
Solihull	D	£11,350
Somerton and Frome	D	£11,350
South Antrim	E	£10,400
South Basildon and East Thurrock	A	£15,650
South Cambridgeshire	A	£15,650
South Derbyshire	D	£11,350
South Dorset	C	£12,800
South Down	E	£10,400
South East Cambridgeshire	A	£15,650
South East Cornwall	D	£11,350
South Holland and The Deepings	E	£10,400
South Leicestershire	D	£11,350
South Norfolk	D	£11,350
South Northamptonshire	D	£11,350
South Ribble	D	£11,350
South Shields	D	£11,350
South Staffordshire	E	£10,400
South Suffolk	D	£11,350
South Swindon	C	£12,800

South Thanet	C	£12,800
South West Bedfordshire	A	£15,650
South West Devon	D	£11,350
South West Norfolk	E	£10,400
South West Surrey	A	£15,650
South West Wiltshire	D	£11,350
Southampton, Itchen	C	£12,800
Southampton, Test	C	£12,800
Southend West	C	£12,800
Southport	D	£11,350
St. Austell and Newquay	C	£12,800
St. Helens North	E	£10,400
St. Helens South and Whiston	E	£10,400
St. Ives	C	£12,800
Stafford	D	£11,350
Staffordshire Moorlands	E	£10,400
Stalybridge and Hyde	E	£10,400
Stevenage	A	£15,650
Stirling	E	£10,400
Stockport	D	£11,350
Stockton North	E	£10,400
Stockton South	E	£10,400
Stoke-on-Trent Central	E	£10,400
Stoke-on-Trent North	E	£10,400
Stoke-on-Trent South	E	£10,400
Stone	D	£11,350
Stourbridge	E	£10,400
Strangford	E	£10,400
Stratford-on-Avon	D	£11,350
Stretford and Urmston	C	£12,800
Stroud	C	£12,800
Suffolk Coastal	D	£11,350
Sunderland Central	E	£10,400
Surrey Heath	A	£15,650
Sutton Coldfield	D	£11,350
Swansea East	D	£11,350
Swansea West	D	£11,350
Tamworth	D	£11,350
Tatton	D	£11,350
Taunton Deane	D	£11,350
Telford	D	£11,350
Tewkesbury	C	£12,800
The Cotswolds	C	£12,800
The Wrekin	D	£11,350
Thirsk and Malton	E	£10,400
Thornbury and Yate	B	£14,200
Tiverton and Honiton	D	£11,350
Tonbridge and Malling	A	£15,650
Torbay	D	£11,350
Torfaen	E	£10,400

Torridge and West Devon	D	£11,350
Totnes	D	£11,350
Truro and Falmouth	C	£12,800
Tunbridge Wells	B	£14,200
Tynemouth	D	£11,350
Upper Bann	E	£10,400
Vale of Clwyd	D	£11,350
Vale of Glamorgan	D	£11,350
Wakefield	E	£10,400
Wallasey	D	£11,350
Walsall North	E	£10,400
Walsall South	E	£10,400
Wansbeck	E	£10,400
Wantage	A	£15,650
Warley	D	£11,350
Warrington North	D	£11,350
Warrington South	D	£11,350
Warwick and Leamington	D	£11,350
Washington and Sunderland West	E	£10,400
Waveney	E	£10,400
Wealden	B	£14,200
Weaver Vale	D	£11,350
Wellingborough	E	£10,400
Wells	D	£11,350
Wentworth and Dearne	E	£10,400
West Aberdeenshire and Kincardine	D	£11,350
West Bromwich East	E	£10,400
West Bromwich West	E	£10,400
West Dorset	D	£11,350
West Dunbartonshire	E	£10,400
West Lancashire	D	£11,350
West Suffolk	D	£11,350
West Tyrone	E	£10,400
West Worcestershire	D	£11,350
Westmorland and Lonsdale	D	£11,350
Weston-Super-Mare	D	£11,350
Wigan	E	£10,400
Wimbledon	A	£15,650
Winchester	B	£14,200
Wirral South	D	£11,350
Wirral West	D	£11,350
Witham	D	£11,350
Witney	A	£15,650
Woking	A	£15,650
Wokingham	B	£14,200
Wolverhampton North East	E	£10,400
Wolverhampton South East	E	£10,400
Wolverhampton South West	E	£10,400
Worcester	D	£11,350
Workington	E	£10,400

Worsley and Eccles South	C	£12,800
Worthing West	C	£12,800
Wrexham	E	£10,400
Wycombe	A	£15,650
Wyre and Preston North	D	£11,350
Wyre Forest	D	£11,350
Wythenshawe and Sale East	D	£11,350
Yeovil	D	£11,350
Ynys Mon	D	£11,350
York Central	D	£11,350
York Outer	D	£11,350

ANNEX C: GUIDANCE ON OTHER PAYMENT METHODS

In addition to reimbursing parliamentary costs on the online expenses system, IPSA also provides a number of other payment methods and loans to reduce administration and improve cash-flow for MPs.

These other payment methods and loans may develop between reviews of the Scheme. Updated guidance is available on IPSA's website (www.parliamentarystandards.org.uk), or by contacting the MP Support team (020 7811 6400, info@parliamentarystandards.org.uk).

MPs are personally responsible and accountable for all expenses incurred, and claims made, and for adherence to the fundamental principles and the rules set out in the Scheme. IPSA will pay for costs where they are incurred wholly, exclusively, and necessarily in the performance of an MP's parliamentary functions, but not otherwise. No personal expenditure will be covered.

Direct payments to suppliers

IPSA can make payments direct to a number of suppliers on behalf of the MP, removing the need for the MP to pay, claim or provide evidence. These costs will then be charged to the appropriate budget.

1. Direct payments for rail travel and air travel

MPs can book rail tickets using the account IPSA generated for them on the Trainline.com website, and IPSA will pay the Trainline direct. MPs do not need to complete a form, reconcile the expense or send any receipts or tickets – IPSA will get all the information required from the Trainline when the MP books.

MPs can book rail tickets and air travel using Chambers (the House of Commons travel provider) and IPSA will pay Chambers direct.

2. Direct payments for office supplies

MPs can buy office supplies online using accounts IPSA generated for them with three suppliers: Commercial; Banner; and XMA. IPSA will pay these suppliers direct, and MPs do not need to complete a form, reconcile the expense or send any receipts – IPSA will get all the information required from the suppliers when the MP orders online. IPSA will then allocate these costs to the MP's Office Costs Expenditure budget. If the Office Costs Expenditure budget is exceeded, IPSA may suspend further use of the websites until the new financial year, to prevent a greater overspend. IPSA will contact the MP seeking repayment for the overspend.

3. Direct payments for rent

IPSA is able to make payments direct to MPs' landlords for accommodation and constituency office rent, once MPs have registered their rental agreement with IPSA. MPs can request direct payments by completing the 'Direct Rental Payment Form' on IPSA's website, and sending a signed copy to IPSA. MPs should allow 28 days for the first payment to be set up.

MPs will be notified when the payment has been set up, and IPSA will then pay the landlord automatically each month, quarter or year as appropriate until the end date of the rental agreement. While an MP's landlord is receiving direct payments, the online expenses system will not offer the option of claiming reimbursement for rent for that property.

MPs must inform IPSA immediately if the rental agreement ends or is renewed, or if there are any changes (such as a change in the rental amount or the landlord's payment details).

MPs will be responsible for the recovery and repayment to IPSA of any overpayments that arise due to late notification of changes or cessation of payments.

Before instructing IPSA to set up the direct rental payment, MPs must check that there is sufficient budget to pay for rent and other associated costs. Any amounts overspent are recoverable by IPSA.

IPSA will also monitor budgets on a regular basis and where it becomes apparent that an MP will overspend his or her budget (for example, because of higher than expected associated expenditure), IPSA may stop future direct payments.

Once the direct payment has been made, it will be allocated to the MP's Accommodation Expenditure or Office Costs Expenditure budget, as appropriate.

4. Direct payments for pooled staffing services

Where IPSA has an agreed arrangement in place, it can pay annual subscriptions for pooled staffing services direct to the relevant organisations who provide such services. These organisations send direct payment request forms to their users annually.

5. Direct payments for employment practice liability insurance (legal expenses insurance)

IPSA can pay MPs' employment practice liability insurance direct to an insurer. IPSA will contact all MPs annually when it is time to renew, to enable MPs to opt in or to renew.

Payment Card

You can use the Payment Card to pay for any business cost or expense allowable under the Scheme.

Each transaction is limited to £1,000, and the monthly credit limit is £4,000. IPSA may consider increases to these limits if requested by an MP.

Once a month, IPSA will send a reconciliation form to the MP's or proxy's account on the online expenses system, under 'Claims/Forms in Progress'. The form will contain the details of each transaction the MP has made that month. MPs will need to complete the remaining details, submit the form online and send us all supporting evidence in hard copy.

Each month MPs will receive an email when their reconciliation form is in the account and ready for completion. MPs must send IPSA their reconciliation forms and evidence within 30 days of receiving the email. If MPs do not complete their reconciliation forms within 30 days, IPSA may suspend the use of the Payment Card until the outstanding reconciliation forms are complete. Once the MP has sent the reconciliation form to IPSA, if IPSA then returns the form to the MP with a query, the MP must resubmit the form to IPSA within two weeks to avoid suspension of the card.

IPSA may also seek repayment for use of the card where an MP does not reconcile after the card is suspended, or IPSA determines that a purchase cannot be paid under the Scheme and marks it 'Not Paid' on the reconciliation form.

The Payment Card may not be used for personal expenditure or expenditure outside the Scheme. However, where this happens inadvertently, MPs should select 'Not Claimed, to repay' on the reconciliation form and repay the money to IPSA by cheque or bank payment with the reconciliation form. Use of the card may be suspended if it is persistently or seriously misused outside the Scheme.

Once the reconciliation form is received and processed by IPSA, the expenditure will then be allocated to the appropriate budgets. If both the Accommodation Expenditure and the Office Costs Expenditure budgets are exceeded, IPSA may restrict further use of the card to travel costs only until the new financial year, to prevent greater overspends. Where a capped budget is exceeded, IPSA will contact the MP seeking repayment for the overspend following the end of the financial year.

Claiming an advance before paying the supplier

MPs may claim payment in advance for unpaid invoices of £200 or more for any expense type except reward and recognition payments and mileage. MPs can claim an advance by selecting 'Yes, not yet Paid' under the field 'Advance?' on the claim form for the relevant expense type, and submitting an unpaid invoice. The MP must then submit a receipt within one month of our paying the advance, using the 'RECEIPTS: Supporting Invoice' form.

For some types of expense the supplier may not provide a receipt. These are: utility bills; telephone bills; rental claims; council tax; and business rates. For these expense types, IPSA will not expect MPs to submit any further supporting evidence after IPSA has paid the advance.

Loans

Please note that there may be tax implications if the combined outstanding value of all loans to an MP is more than £10,000 at any time during the tax year.

1. Deposit loans

As described in the Scheme, MPs may apply for a loan for any deposit payable at the start of a tenancy for their constituency office or accommodation. MPs can request this by completing the 'Rental Property Deposit Loan Agreement' on IPSA's website, and sending it to IPSA with their final or draft rental agreement. MPs will need to repay the loan in full within one month of the rental agreement ending, or when the MP leaves office (whichever is earlier).

2. Advance loan of up to £4,000

MPs elected at the General Election on 7 May 2015 may apply for an interest-free advance loan of up to £4,000 to assist with cash-flow and help them to cover any costs they incur that are allowed under the Scheme and are exclusively in furtherance of their parliamentary functions. The advance loan is repayable in full by 31 March 2016 or, if the MP ceases to be an MP before this date, any outstanding amount will be repayable in full on the date the MP leaves office. MPs can apply for the loan using the advance loan application form on IPSA's website.

REPORT ON THE CONSULTATION OF 2014-15
ON
THE MPs' SCHEME OF BUSINESS COSTS AND EXPENSES

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INTRODUCTION

1. This is the Report on the public consultation held by the Independent Parliamentary Standards Authority (IPSA) as part of our review of *the MPs' Scheme of Business Costs and Expenses* ('the Scheme'), and the statement of IPSA's response to that consultation. The consultation ran between 26 November 2014 and 18 January 2015. It complied with section 5(4) of the Parliamentary Standards Act 2009 which obliges us, when revising the Scheme, to consult:
 - a. the Speaker of the House of Commons;
 - b. the Committee on Standards in Public Life;
 - c. the Leader of the House of Commons;
 - d. a Committee of the House of Commons nominated by the Speaker (the Speaker nominated the Committee on Standards);
 - e. members of the House of Commons;
 - f. the Review Body on Senior Salaries (SSRB);
 - g. Her Majesty's Revenue and Customs;
 - h. Her Majesty's Treasury; and
 - i. any other person IPSA considers appropriate (in this case, the public and organisations with a particular interest).
2. We received 13 formal written responses to the consultation on the Scheme from a range of respondents, including the Speaker, MPs, backbench party groups, MPs' staff, various organisations and a member of the public. We are grateful to all who replied. Most of the respondents addressed all of the consultation questions. Richard Graham MP submitted a general statement: "I think the changes all make sense and I support them", while the Speaker stated: "The substantive changes you propose appear reasonable". In this Report, we have summarised some of the responses received and copies of all the responses can be found on our website (www.parliamentarystandards.org.uk).
3. This year's review focused on a small number of changes to the rules ahead of the General Election on 7 May 2015. We believe that these changes will help to ensure that the rules remain fair, workable and transparent into the new Parliament. The matters covered in the review included: the requirements on MPs when starting, ending or amending a lease (for either rental accommodation or an office); MPs' staff pension arrangements; and subsistence for MPs' staff.
4. As part of the review, we examined the budget limits. We intend that the budget limits we introduce on 1 April 2015 will be in place for the full 12-month financial year, subject to pro-rating arrangements due to the General Election. We have also examined our guidance to ensure it is comprehensive and up to date.
5. The review has resulted in the Seventh Edition of the Scheme, which will come into effect on 1 April 2015 for the 2015-16 financial year (with some changes taking effect from 8 May 2015).

A. ACCOMMODATION EXPENDITURE AND OFFICE COSTS EXPENDITURE

Requirements on MPs when starting, ending or amending a lease

Question 1: *Do you agree we should add a rule to clarify MPs' responsibilities for notifying IPSA when there is any change to the rental contract of an office or accommodation that they claim for?*

Context

6. We propose to add a similar rule to the existing rules on deposits to emphasise that MPs are responsible for notifying IPSA when there is any change to the rental contract of an office or residential accommodation that they claim for. This includes giving prior notification to IPSA when they move accommodation, their rental payments cease or begin, or their rental payments change, particularly if they have their rent paid directly by IPSA.

Responses received

7. The majority of respondents who addressed this question agreed with our proposal. The TaxPayers' Alliance stated: "In the interest of absolute clarity, yes". One MPs' staff member, Claire Hudson, stated: "Yes I do think the rules should be changed to ensure that IPSA know what property they are paying rent on". The Parliamentary Labour Party (PLP) stated: "We agree in principle that important changes to rental contracts must be notified to IPSA, however some clarity is needed in terms of exactly what changes would be covered by this new rule". Therese Coffey MP disagreed: "No rule change or clarification is necessary. MPs can only claim for the accommodation which they have used according to terms agreed via IPSA".

IPSA's response

8. We have made this change to the rules for MPs who claim rental costs under Accommodation Expenditure (for a residential property) or Office Costs Expenditure (for a constituency office). This change will help ensure that the rules reflect good practice and there is clarity of expectations. It will reduce the administrative burden on IPSA and ensure that records and payments are accurate and up to date.

B. STAFFING EXPENDITURE

Pension scheme for MPs' staff

Question 2: *What are your views on our plan to amend the Scheme to conform to the automatic enrolment rules and replace the reference to the non-qualifying Portcullis Pension Plan to "a pension scheme selected by IPSA"?*

Question 3: *What are your views on our plan to end the facility for MPs' staff members to request pension contributions be made to an alternative pension scheme in the new Parliament?*

Context

9. MPs are the employers of their staff, but IPSA sets the rules of employment and also acts as the payroll administrator, paying salaries to MPs' staff members and employer's pension contributions on behalf of MPs.

10. In future, all employers will be legally required to automatically enrol eligible staff in a 'qualifying' pension scheme. We are fulfilling the relevant obligations on behalf of MPs and will enrol their staff in a new pension scheme, which we will select.
11. The current Portcullis Pension Plan is not a 'qualifying' scheme, as the required contribution is split between two companies. We need, therefore, to select a new pension scheme ready for the auto-enrolment staging date of 1 March 2016. We want, however, to switch over to the new arrangements on the day after the next General Election. The Scheme currently states that we will make contributions to the current pension scheme, the Portcullis Pension Plan. We must replace this reference ahead of the General Election.
12. The Scheme also currently allows staff members to request that their contributions be made instead to another pension scheme. This is an unusual arrangement (no public sector employers do this, as far as we know) and imposes significant administrative burdens on IPSA. These legacy arrangements will not be able to continue when we begin auto-enrolment, as we cannot be assured that these schemes are (and remain) 'qualifying' under the new pensions legislation. We will instead enrol all staff in the default plan.

Responses received

13. A number of respondents raised concerns about our proposals for staff pensions. A further group of staff members contacted us with concerns about their personal circumstances. However, we note that there appears to have been some confusion among staff members about what we were consulting on as well as the general requirements of the auto-enrolment legislation. We asked two specific questions about staff pensions in the consultation, as set out above.
14. In response to the first question, a member of MPs' staff Claire Hudson stated: "I don't think you have much choice about making the change, however... it would be preferable if some attempt were made to enable those with existing pensions to continue paying into the same one". The TaxPayers' Alliance stated: "We would recommend any amendment which would bring down the administrative cost of pensions while providing a suitable pension scheme as a part of an appropriate overall pay package".
15. In response to the second question, staff member Claire Hudson stated: "I agree that you should end it for new staff, but it seems stupid to not permit existing, probably long term employees, to pay into an existing pension...". She stated that we were going against the principle of the legislation and also considered this as a possible impact on equality and diversity in relation to MPs' staff. Therese Coffey MP stated that: "IPSA should recognise that... a number [of staff members] have been here for an extended period and often have moved employers. I appreciate the complexity, etc., but more than a few months' notice needs to be given and furthermore, anyone due to retire in the next five to ten years should be exempted from this forced change". She similarly raised concerns that "unintended consequences" relating to this proposal could impact on equality and diversity.
16. One MP's staff member, Sandra Byrne, stated: "I think it is reasonable to end this facility to ensure that the automatic enrolment legislation is adhered to. However I believe that the Portcullis scheme should remain open to existing members". Staff member Jennifer Farley stated: "I am concerned that there may be a negative impact on the pension return of any new

scheme and a reduction in the worth of contributions already made should an employee transfer existing savings over". Another staff member Myles Larrington stated: "I think that the funds of all existing Portcullis policy holders should automatically be transferred to the new scheme, unless an individual specifically wishes to opt out of this".

17. The Committee on Standards agreed with our proposal, stating: "we recognise the need for IPSA to amend the pension scheme for MPs' staff". They emphasised that IPSA should seek best value for MPs' staff and stated that "this is an extremely important undertaking, and welcome this approach". The TaxPayers' Alliance also broadly supported our proposal, stating: "While we do not have any objection in principle to MPs' staff members requesting pension contributions to be made to alternative pension schemes, as this places an additional financial burden on taxpayers we would support the plan to end this facility".
18. Several staff members raised concerns about their personal circumstances, but many respondents appreciated that we must amend the Scheme to conform to the automatic enrolment rules in the new Parliament.

IPSA's response

19. We appreciate the concerns raised by some respondents about their personal situations, particularly the suggestions that we should not end the facility for making pension contributions to alternative arrangements. We have considered whether it would be possible to continue to allow existing staff to have alternative pension arrangements. However, we have received advice that this would be increasingly administratively burdensome as auto-enrolment progresses. We would need to ensure that all such arrangements are 'qualifying' (most private pensions will not be) and enter into agreements with each pension provider that they will remain qualifying. We do not consider this to be a feasible or sustainable arrangement.
20. We are able to make an exception for staff working for MPs who leave Parliament at the General Election on 7 May 2015. Staff members working during the 'Winding-Up period' will be able to continue in their existing arrangements until they leave the former MP's employment (with a maximum end date of 8 July 2015). If they are subsequently employed by a different MP, they will be enrolled in the new MPs' Staff Pension Scheme.
21. We concluded that we should proceed with putting in place the necessary arrangements for auto-enrolment. We have made the changes to the Scheme, as follows:
 - replacing the reference to the non-qualifying Portcullis Pension Plan to "the MPs' Staff Pension Scheme" (the new pension scheme selected by IPSA); and
 - ending the facility for MPs' staff members to request pension contributions be made to an alternative pension scheme in the new Parliament.

C. TRAVEL AND SUBSISTENCE EXPENDITURE

Subsistence claims by MPs' staff

Question 4: *Do you have any comments on our plan to amend the rules to clarify that subsistence claims can only be made for MPs' staff members where their overnight stay is directly associated with a claimable journey?*

Context

22. The Scheme stated that MPs' staff may claim reimbursement for subsistence "if the staff member necessarily stays overnight in a hotel to assist the MP in his or her parliamentary functions, or if the staff member is undertaking training". The rule on subsistence claims did not align directly with our rules on the types of travel that MPs' staff can claim for. The rules only allow MPs' staff to claim for travel between the MP's constituency office and Westminster; within the MP's constituency or within 20 miles of the constituency boundary; or to undertake relevant training. The rules do not allow MPs' staff to claim for other journeys, such as extended UK travel and European travel, even if they are assisting the MP in his or her parliamentary functions. We consulted on amending this rule to ensure it aligned with the other travel rules.

Responses received

23. Those respondents who addressed this question agreed with our proposal to amend the rules. The TaxPayers' Alliance stated: "This should have been in the rules all along".

IPSA's position

24. We have made this minor amendment to the rules to ensure that the Scheme is suitably clear and consistent and to reduce any risk of IPSA covering expenses related to non-claimable journeys.

D. EQUALITY AND DIVERSITY

Question 5: *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?*

Context

25. IPSA, as a public body, is required to meet the public sector equality duty set out in the Equality Act 2010. The duty includes a requirement that public bodies must consider the needs of all individuals in shaping policy and delivering services. In addition, that Act also makes it unlawful for public bodies to discriminate against individuals based upon certain "protected" characteristics. These characteristics are age, disability, gender reassignment, marriage and civil partnership, race, religion or belief, sex, and sexual orientation.
26. In fulfilment of that duty, we have considered throughout this review what impact any changes to the Scheme may have on the equality and diversity of the House of Commons and on individuals with the protected characteristics. We have also considered the extent, if any, to which the Scheme may affect the wider diversity of the House of Commons. To gain feedback on how the Scheme is working in practice currently and about the proposed amendments, we asked a consultation question specifically about equality and diversity.

Responses received

27. We received a handful of responses which addressed this question. Therese Coffey MP and a member of MPs' staff, Claire Hudson, voiced concerns that our proposals for staff pensions would impact on equality and diversity in relation to MPs' staff.

28. Both the Speaker and the Committee on Standards welcomed our provisions under the Scheme for disability assistance but raised concerns about the promptness of our decision-making process for disability assistance applications.
29. No respondent provided specific evidence to us either that our existing rules were having an impact on the equality and diversity of the House of Commons, or that the changes we proposed would do so.

IPSA's response

30. On pensions, we remain clear that auto-enrolment legislation sets out the requirements for all employers to implement and we need to fulfil the relevant obligations on behalf of MPs. We do not consider that removing the facility for payments to be made into alternative pension arrangements will have an impact on equality or diversity. On disability assistance, we are taking the necessary internal actions to improve our level of service to applicants, to ensure this provision in the Scheme is operating effectively.
31. Furthermore, we have conducted an equality impact 'screen', an assessment of the proposed policies and their impact or potential impact on any of the Equality Act protected characteristics. We do not believe that the proposed changes will have an impact either on individuals with the protected characteristics, nor on the wider equality and diversity of the House of Commons.

E. REVIEW OF THE BUDGETS

Overview

Question 6: *Do you have any comments on the budget levels under the Scheme?*

Context

32. As part of the review of the Scheme each year, we examine all the budgets, drawing on research, data analysis and responses to the consultation. We look at a variety of factors, including consumer price inflation and changes in the costs of the different elements in each budget. As part of the consultation, we asked a question specifically about the budget levels under the Scheme.

Responses received

33. We received several responses. The TaxPayers' Alliance stated: "The budget levels should indeed reflect inflation, calculated in the same way as last year". Therese Coffey MP stated: "I would continue to inflate accommodation. I would freeze all other budgets including staff and office costs". One staff member stated: "In light of restrictions on public spending, I feel that a small increase of 1-3% in budget levels are acceptable. This allows for small pay rises for staff as well as the increases in costs such as energy".

IPSA's response

34. Having taken into account a range of relevant evidence, we have decided to increase the Staffing Expenditure budget by 1% and the Office Costs Expenditure budget by 0.5% for 2015-16. The other budgets remain at their current level. We discuss each of the budgets in more detail below.

Accommodation Expenditure budget

35. 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. MPs claim rental expenditure in one location (the London Area or their constituency), and the rental budget also includes an element to cover associated expenditure (including utility bills and council tax). Alternatively, MPs can claim for hotel costs or, if they own their own property, MPs may claim associated expenditure only.
36. Following this year's review, we decided it would not be appropriate to increase the rental portion of the budgets, nor the associated expenditure portion of the budget. The evidence we have seen demonstrates that there are properties within reasonable travelling distance of Parliament that remain affordable under the current Accommodation Expenditure budget.
37. For 2015-16, the Accommodation Expenditure budget for MPs renting in the London Area will remain £20,600 per year. The five regional rental bands, which reflect the rental costs in different parts of the UK, will range from £10,400 to £15,650. The nominal amount identified for associated expenditure remains at £2,800.
38. As part of the comprehensive review of MPs' accommodation following the General Election in May, we will review the associated expenditure budget for MPs who own their own property (currently £8,850), along with the uplift provided to MPs who have dependants who routinely reside with them. We will also review the limit for hotels costs.

Office Costs Expenditure (OCE) budget

39. The Office Costs Expenditure budget (OCE) covers the costs of renting, equipping and running an MP's office(s) or surgeries. Following this year's review, we have increased the OCE budgets by 0.5% to reflect inflation, based on the Consumer Prices Index (CPI) for December 2014. The budgets are £26,050 for London Area MPs and £23,400 for non-London Area MPs for 2015-16.

Staffing Expenditure budget

40. We have decided to increase the Staffing Expenditure budget limits by 1% for 2015-16 for both London Area and Non-London Area MPs. The budgets are £147,000 for London Area MPs and £140,000 for non-London Area MPs for 2015-16. MPs should have regard to the wider public sector pay policy when setting pay for their staff, which caps pay increases at an average of 1% except where staff have taken on significant extra responsibilities. A budget increase of 1% allows those MPs who are close to their budget limits to give their staff members a pay increase of 1%, in line with the public sector pay policy, without having to apply for contingency funding.

London Area Living Payment (LALP)

41. The London Area Living Payment (LALP) is intended to contribute towards the additional expenses of living in, or travelling regularly to, the London Area. An additional payment is

available for those London Area MPs who are outside Greater London (also known as the Outer LALP, or OLALP).

42. We have decided it would not be appropriate to increase LALP or OLALP for 2015-16. The LALP remains at £3,760 per year. The additional payment for those London Area MPs who are outside Greater London remains an additional £1,330 per year. Although public transport prices have increased, a fundamental principle of the Scheme is that MPs should be treated, as far as possible, like other citizens, who would have to absorb increased commuting costs from their own resources. These payments are intended to provide a 'contribution' towards transport costs, without necessarily covering the whole cost.

Winding-Up budget

43. The Winding-Up budget is available to MPs to meet the cost of completing their outstanding parliamentary functions when they cease to be MPs. It is for a maximum of two months and the budget limit is generally calculated as a proportion of the Staffing Expenditure and OCE budgets. We have kept the Winding-Up budget at the same level for 2015-16 as MPs who are standing down have already begun making preparations based on the current budget level and we consider that the current level is sufficient.

F. OTHER MATTERS

Any other comments

Question 7: *Do you have any other comments you would like to make about the MPs' Scheme of Business Costs and Expenses?*

Context

44. As with all of our consultations we gave respondents an opportunity to make any other comments on the Scheme, where such matters were not specifically covered by the questions in the consultation. We received only a handful of responses to this question.

Responses received

45. Therese Coffey MP commented on MPs' eligibility for claiming Accommodation Expenditure. She stated: "I repeat my concerns (made in prior consultations) about the impact of MPs just outside London who do not qualify for an accommodation allowance. Parliamentary activity is not confined to what happens in the Chamber and those beyond the tube network face unnecessary restrictions, particularly though not exclusively on Monday evenings/Tuesday mornings".
46. One member of the public expressed concerns about MPs being able to claim for online newspaper subscriptions. He stated: "I understand that a newspaper subscription may be necessary in paper format in some circumstances, for example if the MP cannot access the internet... However, considering the large amount of news services available online for free, it seems ridiculous that MPs claim for online newspaper subscriptions... a waste of money".

IPSA's response

47. In response to the London Area query, we note that we reviewed the definition of the London Area in 2011, reducing it from 128 to 96 constituencies, which allowed more MPs to claim for accommodation. We currently define the London Area as those constituencies within 20 miles of Parliament. We considered this to be the fairest approach and one that reflected the experience of other citizens, who must commute to work if they live a reasonable distance from it. MPs living outside Greater London but within the London Area can claim an additional London Area Living Payment to assist with the additional costs of living and travelling in London, such as rail passes. We do not consider it appropriate to consider expanding the eligibility criteria for MPs to claim accommodation at this stage.
48. In response to the query about online newspaper subscriptions, we note that we give MPs discretion to choose the most appropriate and cost-effective way to fund necessary office costs incurred in performing their parliamentary roles. We note that there are some major news providers, such as the Times, the Financial Times and the Sun, that require a paid subscription to view their online news services in full. We do not consider it necessary or appropriate to amend the rules explicitly to prohibit MPs from claiming online newspaper subscriptions as these could be considered as legitimate expenses.

Other changes to the rules

49. In addition to the matters covered in this year's review of the Scheme, we have made some other changes to the rules that we consulted on in 2013-14. These changes include:
- a. the removal of the provisions to claim for hospitality, installation of a television in a residential property and the food subsidy for MPs if the House of Commons sits after 7.30pm (already agreed and announced in December 2013 as part of the review of MPs' remuneration);
 - b. amendments to the provisions following late sittings of the House of Commons from 8 May, to allow claims for taxis to a London Area residence only if taken when the House of Commons rises after 11pm and claims for hotels only when the House of Commons rises after 1am (already agreed and announced in December 2013 as part of the review of MPs' remuneration);
 - c. the removal of the provision to claim for a television licence and home contents insurance in a residential property (agreed after further consideration following the review of MPs' pay and pensions, but not formally announced until now);
 - d. making provision for Loss of Office Payments to come into effect from 8 May, while keeping the provision for resettlement payments at the 7 May election (already agreed and announced in December 2013 as part of the review of MPs' remuneration); and
 - e. the provision for advance loans taken out by MPs after the General Election on 7 May 2015 to be repaid by 31 March 2016 (agreed as part of last year's review of the Scheme).

50. We have also made some minor revisions to the Scheme for clarity and consistency, including:
- a. moving the Fundamental Principles to have greater prominence within the Scheme (moved from Schedule 1 to the front of the Scheme) and moved the Introduction to sit after the Contents page;
 - b. amending the front cover of the Scheme for clarity – removing the words ‘Annual Review’ from the title so that now it reads simply ‘The MPs’ Scheme of Business Costs and Expenses’, and changing the date to refer to the financial year (2015-16) rather than a calendar year;
 - c. removing wording about how to make mileage claims, to ensure the Scheme only reflected the current practice (Chapter 9);
 - d. removing the redundant references to the mortgage interest subsidy (Chapter 4 and Annex A of the Scheme), as the subsidy ended in August 2012;
 - e. adding a new Annex A to the Scheme to provide a summary table of the annual budgets for 2015-16;
 - f. stating the budgets available for MPs newly-elected at the General Election on 7 May 2015, which is 11 months’ worth (in accordance with paragraph 3.10 of the Scheme); and
 - g. amending the title of Chapter 8 from ‘Start-Up, Winding-Up and Resettlement Payments’ to ‘Start-Up, Winding-Up and Payments on Leaving Office’ to allow for the introduction of new provisions for the Loss of Office Payment.

