

Purpose

1. IPSA provides MPs with a payment card to support them to fund costs relating to their parliamentary functions. This document sets out the policy and guidance relating to the use of payment cards, and supports [the Scheme of MPs' Business Costs and Expenses](#) ("the Scheme").

Entitlement

2. The entitlement to a payment card is summarised below.
 - MPs will be provided with a single payment card in their name, for the duration of their time in office.
 - The standard credit limit is £4,000, but the MP can ask IPSA to increase it if necessary.
 - Any single transaction is limited to £2,000, but the MP can ask IPSA to increase it temporarily, if necessary.
 - The MP can assign an expenses proxy to reconcile their payment card expenditure on their behalf.

Conditions for entitlement to an IPSA payment card

3. The conditions of entitlement to a payment card are summarised below.
 - The card must only be used to pay for costs which are allowable under the Scheme.
 - The payment card must **not** be used for personal expenditure, for tenancy deposits on rented properties or for costs which are not allowable under the Scheme.
 - Expenditure must be **fully** accounted-for promptly, by submitting evidence and making any repayments to IPSA by the deadline (the eighth of the month after the transactions are uploaded for reconciliation).
 - The MP must **not** owe IPSA any money for payment card spending. Any money owed to IPSA and not repaid within 30 days is treated as debt. If the MP has payment card debt owed to IPSA, access to the payment card will be suspended until the debt has been fully recovered or until a repayment plan via salary deductions has been agreed with the MP.
 - The card must be kept safe and secure, and any potential fraud reported to Barclaycard immediately on 0800 008 008.

- The MP must have signed an indemnity form agreeing to these conditions of use.
4. It is the MP's responsibility to meet these conditions.
 5. IPSA may suspend or withdraw use of the payment card if any of these conditions is breached. If an MP does not reconcile their payment card, by submitting valid evidence, or does not make repayments of money owed from payment card spending within 30 days, their card will be suspended for seven calendar days or until the conditions are met, whichever is longer. The suspension will be lifted only when the conditions are met. The seven-day suspension is designed to encourage prompt and full reconciliation and repayment of money owed within the deadlines, and to create efficiency in the card suspension process.
 6. Serious or persistent breaches of the conditions will result in the payment card being suspended for up to six months or withdrawn permanently. Serious or persistent breaches include: misuse of the payment card for personal or non-parliamentary spending and recurring/repeated breaches of any payment card conditions. In these circumstances, IPSA will first warn the MP that that continued breaches will result in suspension or withdrawal of the payment card. If the conditions continue to be breached, the card will be suspended or withdrawn. IPSA will notify MPs by email if their card is to be suspended or withdrawn, unless it is impractical to do so.
 7. IPSA may decide to waive one or more of these conditions, if exceptional circumstances arise.

Requesting a payment card

8. IPSA will ask the MP if they want a payment card when they take up office, and ask them to sign the indemnity form (attached). IPSA will liaise with the card provider (Barclaycard) to obtain the card, PIN and card reader, and send them to the MP.

Using the payment card

9. The MP can use the card to pay for costs which are allowable under the Scheme. The MP can use the card to pay for items which exceed Scheme limits, and repay the excess to IPSA (see **Repaying money to IPSA** below).
10. The payment card must **not** be used for personal expenditure, for deposits on rented properties or for costs which are not allowable under the Scheme.
11. The card cannot be used for any single purchase worth more than £2,000 or for items totalling more than the £4,000 credit limit, unless prior approval has been given for an increase to the limits. MPs should request an increase to the transaction limit or credit

limit by emailing IPSA, explaining the reason and period for which the increase is needed.

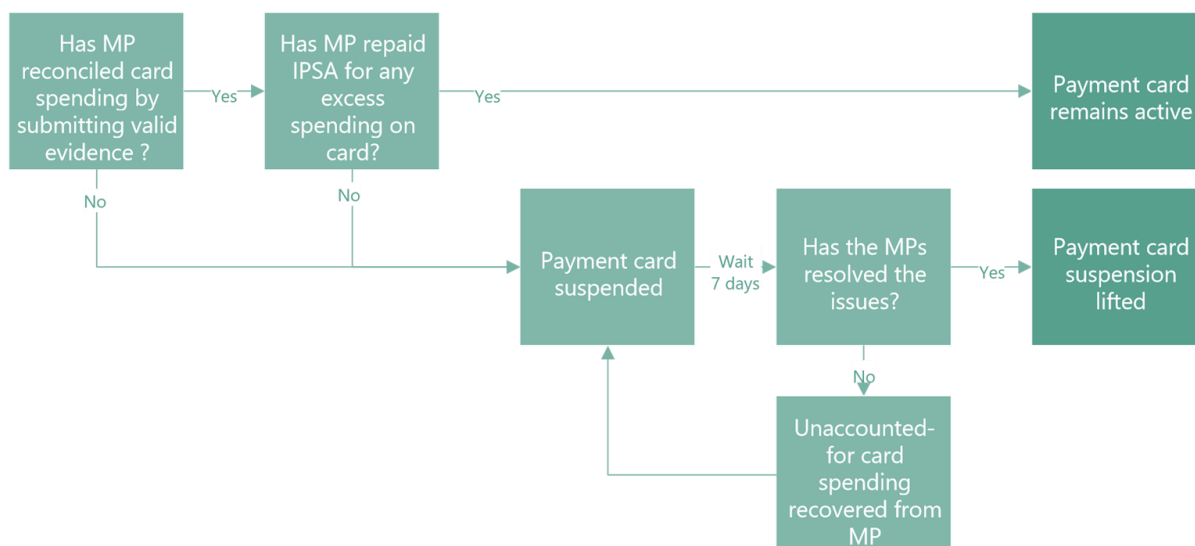
Reconciling payment card spending

12. At the end of each month, the card provider sends IPSA the transactions for that month. IPSA uploads them to IPSA Online, and the system automatically emails the MP (and their expenses proxy, if they have one) to tell them the expenditure is ready to be accounted-for. We have issued guidance on [payment card reconciliation](#).
13. **The MP must fully account for the expenditure (by “reconciling”) by the eighth of the following month.** The MP must fully reconcile the transactions, by submitting valid evidence and repay any money owed to IPSA. It is good practice for the MP to check they do not owe any other repayments to IPSA.
14. If an MP inadvertently used the payment card for personal expenditure or expenditure outside the Scheme, the MP must mark the transaction as “Not claimed, to repay” and repay the money owed immediately.
15. Approximately a week before the deadline, the IPSA Online system will automatically remind any MP (and their proxy) that they have not yet reconciled their payment card transactions and need to do so.
16. On the first working day after the deadline, **IPSA will suspend for seven calendar days**
 - payment cards with transactions which have not been **fully** reconciled by the deadline, and
 - payment cards belonging to MPs who owe money to IPSA for payment card spending which has not been repaid within 30 days of the MP being notified
17. IPSA will email the MP (and their proxy) to inform them that their card will be suspended for seven calendar days and that they must account for the expenditure and make any repayments to IPSA within that week.
18. After seven calendar days, IPSA will lift the payment card suspension for any MPs who have fully accounted for the expenditure and made any necessary repayments to IPSA. Note that cards will be suspended for a minimum of seven days, even if reconciliation or repayments happen sooner.
19. If, seven days later, **the MP has not fully accounted for their payment card expenditure, IPSA will seek repayment of the cost of any unaccounted-for expenditure** by raising a credit note on IPSA Online. The payment card lines will be

marked as “costs not reconciled”, and the payment card suspension will be lifted when the money owed to

IPSA has been fully recovered. If the costs are allowable, the MP may submit a claim for reimbursement of the costs in the normal way within 90 days of the expenditure being incurred.

20. If there are **exceptional** circumstances which prevent an MP reconciling expenditure on time, please notify IPSA and we will consider whether an extension to the deadline is appropriate in the circumstances.
21. The process is described in the flowchart below.



22. At the end of the financial year the timescales for payment card reconciliation will change so that the costs can be assigned to the correct financial year and IPSA can complete its financial year end process. Please see the IPSA year-end guidance, issued each year, for more information.

IPSA validation of payment card spending

23. We validate payment card spending in the same way we validate reimbursement claims. If spending is not permitted under the Scheme, or insufficient evidence is submitted, the claim will be returned to the MP as an expense correction on IPSA Online in the usual way, via the Task Manager.
24. MPs must action returned lines promptly, by submitting additional evidence by the deadline, in order to avoid their payment card being suspended.
25. Payment card expenditure will be allocated automatically to the budget selected by the MP during reconciliation.

Repaying money to IPSA

26. MPs must repay any money owed to IPSA promptly and within 30 days of the MP being notified of the repayment being required. In accordance with the Scheme, any money owed after 30 days is treated as debt, which IPSA can recover by offsetting against future reimbursement claims or via salary deductions.
27. If an MP owes money to IPSA which has not been repaid or they are forecast to overspend against their budgets, IPSA may suspend use of the payment card (or restrict it to travel costs only) to prevent a greater overspend and an increase in the money owed to IPSA.

Payment card statements and settling the account

28. IPSA receives and settles an overarching payment card statement each month, which includes the expenditure for all MPs.
29. The MP will be provided with an account and logon so that they can view their expenditure online. Alternatively, they may opt to receive paper statements which the payment card supplier can send to their chosen address.

Publication of payment card expenditure

30. IPSA publishes payment card expenditure in the same way we publish data about reimbursement claims, in accordance with the [IPSA Publication Policy](#).
31. IPSA will not publish data about payment card expenditure if the MP has selected to repay the cost to IPSA. However, as stated in our Publication Policy, IPSA may publish information about money overdue for repayment to IPSA, including that originating from payment card use.

32. IPSA may be asked to release additional information about payment card expenditure, reconciliation and card suspensions under the Freedom of Information Act (FOIA). Requests for information under the FOIA are considered on a case-by-case basis.

IPSA Payment Card Key Contacts

I want to...	Please contact...
Report suspected fraudulent use	Barclaycard customer services by phone on 0800 008 008
Report a lost or stolen card	
Report an issue logging on to my Barclaycard account	
Report an issue with my card reader	
Order a new payment card	IPSA by phone on 020 7811 6400 or by email to info@theipsa.org.uk
Change my name or address	
Increase my single transaction limit	
Increase my monthly credit limit	
Ask about my payment card suspension	
Get advice on how to reconcile my payment card expenditure	
Make a repayment to IPSA	

IPSA Payment Card Indemnity Form – MP Copy

Conditions for holding an IPSA payment card

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- The card must be kept safe and secure, and any potential fraud reported to Barclaycard immediately on 0800 008 008.
- The MP must have signed an indemnity form agreeing to these conditions of use.

It is the MP's responsibility to meet these conditions.

I have read the IPSA Payment Card policy and I agree to comply with the conditions of holding an IPSA payment card.

MP Name

Date

Signature

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