

16 March 2017

This bulletin contains important information on:

- New edition of the Scheme of MPs' Business Costs and Expenses for 2017-18
- New edition of the Scheme and staffing
- Year End Guidance and staffing
- Changes to childcare vouchers
- Making payments to IPSA

New edition of the Scheme of MPs' Business Costs and Expenses for 2017-18

IPSA is today publishing the new edition of the *Scheme of MPs' Business Costs and Expenses* (the Scheme). This will come into effect on 1 April 2017 for the 2017-18 financial year. <u>The new Scheme can be found here on our website</u>.

Last year we conducted our first comprehensive review of the Scheme since 2011, which included a public consultation held between 11 May and 24 October 2016. We sought to make the Scheme simpler and clearer, whilst retaining a robust approach to regulating MPs' business costs and expenses and a commitment to supporting MPs in their parliamentary duties. We are grateful to all who replied.

We have now concluded our review and have made a number of key changes to the Ninth Edition of the Scheme. <u>The full consultation report and an Equality Impact Assessment is available on the website</u>. A <u>summary of the key changes to the Scheme can be found here.</u>

New edition of the Scheme and staffing

We have published a <u>Frequently Asked Questions (FAQ) document</u> to help answer any queries you may have regarding the new Scheme and its effects on staffing.

Year End Guidance and staffing

As we move towards the end of the 2016-17 financial year, you should ensure that your costs are allocated to the correct financial year. We have written to you with important guidance and you can also <u>view the information and relevant forms on our website</u>.

The March cut-off date for staffing costs has now passed. It is therefore important that, if appropriate, you allocate all staffing costs to the correct financial year by completing and submitting the Year End Form before the 13 April 2017 deadline. The Year End Guidance, which explains how to correctly allocate your staffing costs to the correct years, and the Year End Form, can be found on our website.

Changes to Childcare Vouchers

Changes to Tax-Free Childcare announced in the Budget will begin from April 2017. These changes may impact MPs as employers and their staff members' eligibility for Childcare Vouchers.

Here is a key summary:

- 1. The Childcare Vouchers scheme will run alongside Tax-Free Childcare, but you cannot be on both schemes at the same time.
- 2. Childcare Vouchers will be closed to new entrants from April 2018. Should staff members' family situation change over the next 12 months, so too could the decision of which scheme is best.
- 3. By joining, or staying on the employer Childcare Vouchers scheme, you can keep your options open, so you have the choice nearer the time. By April 2018, the ability to choose will end if you are not already on the Childcare Vouchers scheme.
- 4. Anyone who joins the Childcare Voucher scheme before April 2018 can keep receiving the vouchers indefinitely beyond this date.

If you have any further questions about the changes please speak to you Payroll contact.

Making payments to IPSA

As part of our efforts in improving performance and efficiency, we are aiming to reduce the number of cheque repayments we receive, and encourage MPs to make any payments to IPSA via electronic means (BACS).

We have created a new payment form which should be used when making payments to IPSA via BACS. The form is available on the website.

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