

Our ref: RL-2020-035

30 April 2020

Dear Member of Parliament,

**Re: Changes to the Scheme of MPs' Business Costs and Expenses for 2020-21 in
response to the coronavirus pandemic**

I am writing about recent changes to the Scheme of MPs' Business Costs and Expenses ('the Scheme') in response to the coronavirus pandemic.

The Scheme sets out the rules, eligibility and budgets governing MPs' use of taxpayers' money to support their parliamentary work. An updated Scheme is published for each financial year; we published the 2020-21 version on 12 March 2020. However, we believe that the extraordinary circumstances the country is facing with the coronavirus pandemic require further changes. We are contacting our statutory consultees, as required by the Parliamentary Standards Act 2009, before laying in the House of Commons an addendum to the current Scheme, setting out these changes formally.

IPSA is committed to supporting MPs and their staff to carry on with their work as far as possible during this time. The pandemic has led to a surge in the workloads of MPs' offices as constituents seek support over issues such as Universal Credit applications, repatriation, housing problems and the closure of small businesses. And in some offices, there have been fewer staff, because of sickness, to deal with the rise in caseload, as well as the need for IT equipment and other costs to support the new ways of working.

On 19 March, in response to the pandemic, and to help MPs and their staff to support their constituents, IPSA issued guidance on the immediate measures we were putting in place to ensure that MPs and their staff could respond to the challenges of dealing with the coronavirus pandemic. The changes were governed by four principles:

- IPSA should help MPs to continue their work by making it as straightforward as possible to receive funding for their parliamentary functions
- IPSA should be responsive to new situations that occur as a result of the pandemic
- IPSA should reduce administrative burdens where possible on MPs and IPSA
- IPSA should limit new financial risk to the taxpayer.

Changes to the Scheme rules

IPSA requires that all claims for reimbursement must be submitted no more than 90 days after the expenditure was incurred. However, during this period, this may not always be possible, either due to staff sickness or delays in receiving invoices from suppliers. We have therefore extended the 90-day time limit: all costs incurred since the start of January 2020 must be claimed by 30 June 2020. Any costs incurred from 1 April 2020 must be claimed within 120 days.

IPSA also requires all claims to be accompanied by sufficient supporting evidence before being paid. During this period, if MPs do not have access to a receipt or invoice as a direct result of the coronavirus, and cannot wait for reimbursement, we will pay a claim without evidence and ask them to send in the evidence as soon as possible afterwards. We will ensure that all supporting evidence is later received in order to fulfil IPSA's statutory duty to account for public money.

Time-limited nature of these changes

These are not permanent changes to the Scheme, but a temporary response to the current pandemic. IPSA will review all aspects our response to the current circumstances and consider when to end the changes. In doing so, we will consider Government guidance relating to the pandemic and the economy, the ongoing impact of the pandemic on the workload of MPs' offices, and our work with the House of Commons.

You are welcome to contact us about these measures if you have any comments.

Yours sincerely,



Richard Lloyd
Interim Chair, IPSA