

**The MPs' Expenses Scheme:**

**Third Edition**

April 2011



# **THE MPs' EXPENSES SCHEME**

## **THIRD EDITION**

### **INTRODUCTION**

1. The MPs' Expenses Scheme, which makes provision for reimbursement of costs and provision of support for MPs ("the Scheme") 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 Third 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. members of the House of Commons;
  - e. the Review Body on Senior Salaries;
  - f. HM Revenue and Customs;
  - g. HM Treasury; and
  - h. the publicthrough a consultation between 5 January and 11 February 2011.
3. This Scheme is intended to ensure that Members of Parliament are reimbursed for costs and provision of support necessarily incurred in the performance of their parliamentary functions.



## CONTENTS

<b>PART A: CONDITIONS</b>	<b>7</b>
CHAPTER ONE: THE PROCESS FOR MAKING CLAIMS	7
CHAPTER TWO: DETERMINATION AND REVIEW OF CLAIMS	8
CHAPTER THREE: GENERAL CONDITIONS OF THE SCHEME	10
<b>PART B: WORKING FROM TWO LOCATIONS</b>	<b>12</b>
CHAPTER FOUR: ACCOMMODATION EXPENDITURE	12
CHAPTER FIVE: THE LONDON AREA LIVING PAYMENT	17
<b>PART C: OFFICE SUPPORT</b>	<b>18</b>
CHAPTER SIX: OFFICE COSTS EXPENDITURE	18
CHAPTER SEVEN: STAFFING EXPENDITURE	21
CHAPTER EIGHT: START-UP AND WINDING-UP	24
<b>PART D: OTHER SUPPORT</b>	<b>26</b>
CHAPTER NINE: TRAVEL AND SUBSISTENCE EXPENDITURE	26
CHAPTER TEN: MISCELLANEOUS EXPENDITURE AND FINANCIAL ASSISTANCE	32
<b>SCHEDULE 1: FUNDAMENTAL PRINCIPLES</b>	<b>35</b>
<b>SCHEDULE 2: LIST OF CONSTITUENCIES IN THE LONDON AREA</b>	<b>36</b>
<b>SCHEDULE 3: LIST OF CONSTITUENCIES WHOSE MPS ARE ELIGIBLE FOR ADDITIONAL LONDON AREA LIVING PAYMENT OF £1,330 PER YEAR</b>	<b>38</b>
<b>ANNEX A: MORTGAGE INTEREST SUBSIDIES AND REPAYMENT OF CAPITAL GAINS – CONDITIONS AND GUIDANCE</b>	<b>39</b>
<b>ANNEX B: BANDINGS FOR ACCOMMODATION EXPENDITURE</b>	<b>42</b>
<b>ANNEX C: OTHER PAYMENT METHODS</b>	<b>55</b>



## **PART A: CONDITIONS**

### **CHAPTER ONE: THE PROCESS FOR MAKING CLAIMS**

- 1.1 Claims for reimbursement under this Scheme must be:
  - a. submitted using the online expenses system or another mechanism agreed with IPSA;
  - b. submitted personally by the MP, or with IPSA's agreement by his/her designated proxy (except where paragraphs 1.2 or 1.3 apply);
  - c. submitted no more than 90 days after the expenditure was incurred; and
  - d. 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 they are unable to fulfil their parliamentary functions, to another MP.
- 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.
- 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.
- 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.
- 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 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.

### CHAPTER THREE: GENERAL CONDITIONS OF THE SCHEME

- 3.1 No claims will be considered from an MP who has not agreed with IPSA that they will abide by the Scheme.
- 3.2 In making any claim under the Scheme, an MP must certify that the expenditure was necessary for performance of their parliamentary functions, and that in incurring the expenditure they 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 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.
- 3.5 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*

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

#### *Budgets and financial limits: general provisions*

- 3.7 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.
- 3.8 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.

3.9 IPSA may from time to time amend the budgets and financial limits set out in this Scheme.

3.10 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 the Start-Up Expenditure.

#### *The London Area*

3.11 For the purposes of this Scheme, MPs representing any constituency listed in Schedule 2 are referred to as "London Area MPs", and any reference should be read accordingly.

3.12 MPs representing any other constituency are referred to as "non-London Area MPs".

#### *General restrictions applicable to claims*

3.13 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.

3.14 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.

3.15 Except to the extent permitted under paragraph 4.17, 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.

3.16 '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.

## **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 constituency.
- 4.5 Where an MP is claiming Accommodation Expenditure under paragraph 4.8b, c or d, 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 mortgage agreement, or has been provided with proof of ownership, and agreed that such claims can be made.
- 4.7 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.
- 4.8 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 4.9; or
  - c. for MPs who own their property but who are not claiming mortgage interest subsidy under paragraph 4.8d, associated expenditure as set out at paragraph 4.9; or

- d. exceptionally, in the case of MPs receiving payments for mortgage interest on 7 May 2010, continued payment of mortgage interest and associated expenditure as set out at paragraph 4.9 until 31 August 2012 or the date when the MP disposes of the property, whichever is the earlier.

4.9 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;
- e. in the case of MPs claiming under 4.8c or 4.8d, buildings insurance;
- f. purchase and installation 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; and
- j. the purchase of a television licence.

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

- a. cleaning;
- b. gardening; or
- c. the purchase or maintenance of furniture.

4.11 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, mortgage interest, associated expenditure under paragraph 4.9, or the London Area Living Payment.

4.12 MPs may claim for rental payments or mortgage interest payments for two months after leaving Parliament.

*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 4.9) is £19,900.

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 with monthly rental payment limits, which may vary having regard to particular constituencies.

4.15 The budgets for particular constituencies are set out at Annex B.

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.

*MPs who own their own homes*

4.17 For MPs claiming for mortgage interest, the annual Accommodation Expenditure budget (including all associated expenditure as set out at paragraph 4.9) is £17,500.

4.18 IPSA may recover the publicly subsidised element of any increase in the value of the property over the period for which mortgage interest payments are claimed. Additional rules on the procedures for reclamation are set out at Annex A.

*MPs who share rental accommodation*

4.19 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 both MPs must be on the rental agreement as provided to IPSA.

4.20 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*

4.21 An MP who is eligible to claim Accommodation Expenditure for rental costs may have their 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 they can certify that the dependant routinely resides at the rented accommodation.

4.22 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; or
- 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; or
  - iii. 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.

*Loans for deposits on rental properties*

4.23 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.

4.24 The value of any loan under paragraph 4.23 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.

4.25 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 when the MP leaves Parliament (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*

4.26 An MP's entitlement to an uplift in their budget for Accommodation Expenditure attributable to caring responsibilities as set out at paragraph 4.21 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 4.22c, six months after the end of any financial year during which the family member ceases to be in receipt of one of those benefits.

4.27 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.

4.28 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.



## **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 3) may claim an additional £1,330 per 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.
- 5.6 The London Area Living Payment will not be payable to an MP who:
  - a. occupies any 'grace and favour' accommodation by virtue of any particular office held, or
  - b. receives payment for mortgage interest under paragraph 4.8d of this Scheme.
- 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 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 £24,000.
- 6.4 For non-London Area MPs, the annual Office Costs Expenditure budget is £21,500.
- 6.5 MPs are entitled to exercise discretion over claims for items that meet the purposes of the Office Costs Expenditure, 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 that contains a party political logo or emblem;
  - e. personal accountancy or tax advice; or
  - f. producing or publishing any material which could be construed as campaign expenditure within the scope of the Political Parties, Elections and Referendums Act 2000.

#### *Constituency office rental costs*

- 6.7 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.

6.8 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.

6.9 Where the costs in paragraph 6.8 above are incurred at an MP's or staff member's home (for example if they work from home routinely), that home must be registered with IPSA as a constituency office.

6.10 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.

The cost of the valuation is claimable under Office Costs Expenditure.

#### *Loans for deposits on rental properties*

6.11 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.

6.12 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 when the MP leaves office (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*

6.13 Where an MP who claims 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.

6.14 This fee must be remitted to IPSA in its entirety.

### *Shared offices*

- 6.15 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.

## 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, except in paragraph 7.6.
- 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 supported by the National Apprenticeship Service; and
  - i. the incidental expenses of interns and volunteers (as set out in paragraph 7.10).
- 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 The annual Staffing Expenditure budget is £115,000.

## *Conditions*

7.6 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;
- d. the MP has obtained IPSA's approval to the contract of employment; and
- e. the MP has provided to IPSA proof that conditions a-d above have been satisfied and has obtained IPSA's approval to the contract of employment.

7.7 Paragraph 7.6 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.

7.8 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 7.6 above.

7.9 Once the conditions set out in paragraph 7.6 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 member's employment.

7.10 MPs must have a signed agreement with any interns or volunteers, which must be submitted to IPSA before claims for incidental expenses can be made. The signed agreement must comply with the model agreement published by IPSA. Incidental expenses are limited to reasonable travel and food, and non-alcoholic drinks.

7.11 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.

7.12 Nothing in this Scheme shall be taken to affect the MP's position as the employer of their staff.

#### *Employers' contributions to National Insurance*

7.13 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*

7.14 Employers' pension 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.

7.15 Except where the employee in question has opted out of the Portcullis Pension Plan, the contributions at paragraph 7.14 shall be towards that plan and shall be equal to 10% of the employee's salary.

7.16 IPSA will if requested by the MP make contributions to a pension plan other than the Portcullis Pension Plan if it is satisfied that this is the preference of that staff member.

#### *Salary sacrifice for employee benefits*

7.17 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.

## CHAPTER EIGHT: START-UP AND WINDING-UP

### **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.

#### *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 Notwithstanding paragraph 3.10, 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 for 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. It is payable only to a former MP, when that individual ceases to be an MP a maximum of two months before the date on which the expense being claimed was incurred.
- 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 up to 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, 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;
- i. the costs, including removal costs, of leaving any accommodation funded under the Scheme, but excluding redecoration and cleaning costs.

8.8 The costs of staff redundancy payments will be met from the contingency fund.

#### *Limit*

8.9 For London-Area MPs, the Winding-Up Expenditure budget is limited to a maximum of £46,500.

8.10 For non-London Area MPs the Winding-Up Expenditure budget is limited to a maximum of £45,500.

## **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 and 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.

#### *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:
- a. a matter currently before the House;
  - b. a matter currently before a Select Committee on which the MP serves, for which travel funding is not provided by another source;
  - c. a constituent or general constituency matter; or
  - d. any other necessary travel for parliamentary functions for which funding is not provided by another source.

#### *General conditions*

- 9.4 Other than at paragraph 9.37 below, no claims will be payable for the cost of the MP's daily commute to and from a place of work. This includes journeys between:
- a. Westminster and an MP's residence in the London Area; or

- b. an MP's constituency residence and their constituency office.

9.5 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.

9.6 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*

9.7 For allowable journeys by public transport, MPs may buy a ticket of any class but (except where paragraph 9.8 below 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".

9.8 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.

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

9.10 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*

9.11 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.

Motor mileage rate	To cover business travel by private motor car	40p per mile for the first 10,000 miles 25 per mile thereafter
Motor Cycle mileage	To cover business travel by private motor cycle	24p per mile
Bicycle mileage	To cover business travel by private cycle	20p per mile

9.12 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.

9.13 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 or additional charges for late payment, or civil charges for traffic, parking or other violations will not be reimbursed.

9.14 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:

- a. no other reasonable method of transport is available for all or part of the journey; or
- b. alternative methods of transport are impracticable due to pregnancy, disability, illness or injury of the MP or staff member.

9.15 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.

9.16 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*

9.17 Each MP may claim for Travel and Subsistence Expenditure for their staff to make up to 96 single journeys each year between the MP's constituency office and Westminster. This limit is the total for all staff employed by the MP, not per staff member.

9.18 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.

9.19 All of the conditions at paragraphs 9.4 to 9.16 apply to travel by members of MPs' staff, apart from paragraph 9.10 (railcards).

#### *Travel by family members*

9.20 Where MPs have caring responsibilities under paragraph 4.22, 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.

9.21 In the circumstances at paragraph 9.20, 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.

9.22 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.

9.23 A "partner" is considered to be either a civil partner or cohabiting partner of the MP in question.

9.24 All of the conditions at paragraphs 9.4 to 9.16 apply to travel by MPs' families, apart from paragraph 9.10 (railcards).

#### *Subsistence expenditure for MPs*

9.25 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.

- 9.26 Travel and Subsistence Expenditure may not be claimed for hotel stays in the London Area except in the circumstances at paragraph 9.37 below.
- 9.27 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.
- 9.28 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.
- 9.29 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.
- 9.30 MPs may claim reimbursement of the costs of an evening meal (excluding alcoholic drinks), when they are required to be at the House of Commons because the House is sitting beyond 7:30pm. This is limited to £15 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 Members may claim for the cost of an overnight hotel for a member of their staff, where the staff member has necessarily travelled in assisting the MP in his or her parliamentary functions, or is undertaking relevant training. 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 necessarily stays overnight in a hotel to assist the MP in his or her parliamentary functions, or if the staff member is undertaking training. 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 working in Parliament*

9.37 Where the House of Commons sits late or when MPs undertake their parliamentary functions in the House of Commons until late at night, MPs may use their discretion in claiming for reimbursement of taxi fares for journeys from the House of Commons to a London Area residence, or for the cost of an overnight stay in a hotel. Taxis will be subject to an upper limit of £80 for each such journey. Hotels will be subject to an upper limit of £150 per night.

## 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 condition in question and the assistance required.

### **B: SECURITY ASSISTANCE**

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

10.6 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.

10.7 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.

## **C: INSURANCE**

10.8 In addition to any insurance which is payable under Parts 4 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;
- c. Travel Insurance, to cover travel under paragraph 9.2e.

10.9 No claim may be made under paragraph 10.8 if the MP is otherwise provided with the type of insurance in question by the House of Commons or by IPSA.

## **D: CONTINGENCY PAYMENTS**

10.10 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.

10.11 IPSA may decide to accept or reject an application under paragraph 10.10 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.

**E: NECESSARY FINANCIAL ASSISTANCE**

10.12 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 allow them to carry out their parliamentary functions effectively.

## **SCHEDULE 1: FUNDAMENTAL PRINCIPLES**

1. Members of Parliament 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. Members of Parliament 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. Members of Parliament 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 Members of Parliament 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.

## SCHEDULE 2: 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	North East Hertfordshire
28	Ealing, Southall	69	Old Bexley and Sidcup
29	East Ham	70	Orpington
30	East Surrey	71	Poplar and Limehouse
31	Edmonton	72	Putney
32	Eltham	73	Reigate
33	Enfield North	74	Richmond Park
34	Enfield, Southgate	75	Romford
35	Epping Forest	76	Ruislip, Northwood and Pinner
36	Epsom and Ewell	77	Runnymede and Weybridge
37	Erith and Thamesmead	78	Sevenoaks
38	Esher and Walton	79	Slough
39	Feltham and Heston	80	South West Hertfordshire
40	Finchley and Golders Green	81	Spelthorne
41	Greenwich and Woolwich	82	St Albans

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

**SCHEDULE 3: LIST OF CONSTITUENCIES WHOSE MPs ARE ELIGIBLE FOR ADDITIONAL LONDON AREA  
LIVING PAYMENT OF £1,330 PER YEAR**

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

## **ANNEX A: MORTGAGE INTEREST SUBSIDIES AND REPAYMENT OF CAPITAL GAINS – CONDITIONS AND GUIDANCE**

This Annex sets out the transitional arrangements devised to assist returning MPs who currently claim a mortgage interest subsidy on their property whilst they make alternative arrangements, and sets out the process of establishing the appropriate level of any capital gains accruing on the property during this period to be recouped by IPSA.

Returning MPs who received a mortgage interest subsidy on their property in the previous parliament may continue to claim such a subsidy on the same property, up to a maximum of £17,500 per year, during a transitional period ending 31 August 2012 on the following basis:

1. MPs designating a property for which they wish to claim a mortgage interest subsidy will not be able to change the designation to any other property.
2. MPs claiming a mortgage interest subsidy must occupy the property for which they are claiming this subsidy.
3. MPs cannot claim rent under Accommodation Expenses if they claim a mortgage interest subsidy.
4. MPs can apply for a mortgage interest subsidy only once they have had their property independently valued by a valuer regulated by the Royal Institution of Chartered Surveyors.
5. MPs must, with their application, submit the valuation and a certified copy of their mortgage contract which sets out details of their loans.
6. IPSA may – on receipt of a statement from the mortgage lender – provide an advance on mortgage interest payments prior to the application being approved. IPSA will provide such an advance only for a single month's mortgage interest and will not do so beyond 31 May 2010.
7. Once the application for a mortgage interest subsidy has been made, IPSA will calculate the publicly subsidised share of the property on the basis of the valuation of the property and the value of the loan (or part thereof) being subsidised by IPSA.
8. The publicly subsidised share of the property will be the percentage of the value of the loan the interest on which is paid for by mortgage interest subsidy to the value of the property as calculated by the valuer (illustration below).
9. MPs must, on a monthly basis, provide IPSA with a mortgage statement from their mortgage lender, stating the mortgage interest payments to the lender and any capital repayments to the lender.
10. MPs must, between 1 – 31 August 2012, secure a further independent valuation of their property by a valuer regulated by the Royal Institution of Chartered Surveyors. This second valuation will be used to calculate any notional gains the subsidised properties may have accrued during the transitional period.

11. IPSA will, once the second valuation has been carried out, adjust the subsidised loan-to-value ratio of the property to reflect any capital repayments, taking into account when such repayments were made. Any increase in value will be assumed to have been a consistent month on month increase over the transitional period.
12. Any increase in the value of the publicly subsidised share of the property will be regarded as a proportion of the overall capital gain of the property during the transitional period commensurate with the proportion of the publicly subsidised share.
13. IPSA will recoup the public share of any notional gain.
14. MPs must by 30 November 2012 repay to IPSA the public share of the notional gain accrued during the transitional period. Where the three month limit will create hardship for MPs, IPSA will consider applications for a longer repayment period, up to the end of the Parliament. Please note that such an extended period of repayment may create a tax liability: MPs should seek advice from HMRC before entering into a longer repayment period. There will be no requirement for MPs to sell their properties and IPSA will not pay for any early repayment charges where an MP elects to sell their property.
15. MPs choosing to stop claiming for their properties before the end of the transitional period must secure an independent valuation by a valuer regulated by the Royal Institution of Chartered Surveyors at the point at which they stop claiming to establish the value of any gain up to that point in time.
16. MPs choosing to sell their properties before the end of the transitional period must secure an independent valuation by a valuer regulated by the Royal Institution of Chartered Surveyors to establish any gain up to the point at which they place the property on the market:
  - If the property is sold for a sum higher than the valuation, this higher figure will be used to calculate any gain;
  - If the property is sold for a sum lower than the valuation, this lower figure will be used to calculate any gain unless the property is sold to a connected party as defined at 3.13 of the Scheme, in which case the sum at valuation will be used to calculate any gain.
17. MPs who either stop claiming for or sell their subsidised property before the end of the transitional period must repay the public share of the gain within three months of ceasing to claim or completion of the sale. Again, where the three month limit will create hardship for MPs, IPSA will consider applications for a longer repayment period, up to the end of the Parliament.
18. MPs who carry out capital improvements to properties for which they receive a mortgage interest subsidy during the transitional period should be aware that such capital improvements will not generally be taken into consideration when calculating the value of the publicly subsidised share of any capital gain on the property. If any MP considers that there are exceptional circumstances justifying a departure from this rule, the case should be made to IPSA at the earliest opportunity, and, in any event, no later than one month after the completion of such works.



19. From 1 September 2012 IPSA will fund only rented properties.

#### **Advice**

- i. MPs will receive a mortgage interest subsidy only once they have had a valuation carried out by an RICS-regulated valuer. MPs are therefore encouraged to do so as soon as possible following the general election.
- ii. The website [www.rics.org/uk](http://www.rics.org/uk) will help MPs locate regulated valuers.
- iii. Property valuations are not an allowable expense under the scheme. MPs applying for a mortgage subsidy will therefore be required to pay for these valuations themselves.

#### **Illustration A**

1. An MP's flat is valued in May 2010 at £200,000. The MP has a £100,000 interest only mortgage and applies for a subsidy for the whole of the mortgage interest on the mortgage. The publicly subsidised share of the property is, therefore, 50 per cent and IPSA will recoup 50 per cent of any increase in the value of the flat between the first and second valuation.
2. If, therefore, at the end of the transition period, the flat is valued at £220,000, the gain during this period will be £20,000 and IPSA's share of that will be £10,000.

#### **Illustration B**

1. An MP's flat is valued in May 2010 at £200,000. The MP has a £100,000 repayment mortgage and applies for a subsidy for the whole of the mortgage interest on the mortgage. The publicly subsidised share of the property is, therefore, 50 per cent at the start of the transitional period.
2. The MP makes capital repayments of £500 per month during the transitional period. Each month IPSA amends the loan-to-value ratio accordingly, reducing the publicly subsidised share of the property.
3. At the end of the transitional period in August 2010, the flat is valued at £220,000, registering a gain of £20,000 – or a month on month gain of £740.74 over 27 months.
4. The publicly subsidised share of the property will by this time have reduced to 39% of the new value. However, when the changing relative interest in the property is applied to take account of the gradual reduction in the publicly funded share over the period, the public share of the gain will be 43.27% – or £8,704.80.

## ANNEX B: BANDINGS FOR ACCOMMODATION EXPENDITURE

Constituency Name	Band	Total Accommodation Limit (Annual)
Aberavon	E	£9,472
Aberconwy	D	£10,866
Aberdeen North	D	£10,866
Aberdeen South	D	£10,866
Airdrie and Shotts	E	£9,472
Aldershot	A	£15,050
Aldridge-Brownhills	E	£9,472
Altrincham and Sale West	D	£10,866
Alyn and Deeside	E	£9,472
Amber Valley	E	£9,472
Angus	E	£9,472
Arfon	D	£10,866
Argyll and Bute	E	£9,472
Arundel and South Downs	C	£12,261
Ashfield	E	£9,472
Ashford	D	£10,866
Ashton-under-Lyne	E	£9,472
Aylesbury	C	£12,261
Ayr, Carrick and Cumnock	E	£9,472
Banbury	C	£12,261
Banff and Buchan	D	£10,866
Barnsley Central	E	£9,472
Barnsley East	E	£9,472
Barrow and Furness	E	£9,472
Basildon and Billericay	A	£15,050
Basingstoke	A	£15,050
Bassetlaw	E	£9,472
Bath	A	£15,050
Batley and Spen	E	£9,472
Bedford	D	£10,866
Belfast East	D	£10,866
Belfast North	D	£10,866
Belfast South	E	£9,472
Belfast West	D	£10,866
Berwickshire, Roxburgh and Selkirk	E	£9,472
Berwick-upon-Tweed	E	£9,472
Beverley and Holderness	E	£9,472
Bexhill and Battle	D	£10,866

Birkenhead	D	£10,866
Birmingham, Edgbaston	D	£10,866
Birmingham, Erdington	D	£10,866
Birmingham, Hall Green	D	£10,866
Birmingham, Hodge Hill	D	£10,866
Birmingham, Ladywood	D	£10,866
Birmingham, Northfield	D	£10,866
Birmingham, Perry Barr	D	£10,866
Birmingham, Selly Oak	D	£10,866
Birmingham, Yardley	D	£10,866
Bishop Auckland	E	£9,472
Blackburn	E	£9,472
Blackley and Broughton	C	£12,261
Blackpool North and Cleveleys	D	£10,866
Blackpool South	D	£10,866
Blaenau Gwent	E	£9,472
Blaydon	D	£10,866
Blyth Valley	E	£9,472
Bognor Regis and Littlehampton	C	£12,261
Bolsover	E	£9,472
Bolton North East	E	£9,472
Bolton South East	E	£9,472
Bolton West	E	£9,472
Bootle	D	£10,866
Boston and Skegness	E	£9,472
Bosworth	E	£9,472
Bournemouth East	C	£12,261
Bournemouth West	C	£12,261
Bracknell	B	£13,655
Bradford East	E	£9,472
Bradford South	E	£9,472
Bradford West	E	£9,472
Braintree	D	£10,866
Brecon and Radnorshire	E	£9,472
Bridgend	E	£9,472
Bridgwater and West Somerset	D	£10,866
Brigg and Goole	E	£9,472
Brighton, Kemptown	A	£15,050
Brighton, Pavilion	A	£15,050
Bristol East	B	£13,655
Bristol North West	B	£13,655
Bristol South	B	£13,655
Bristol West	B	£13,655

Broadland	D	£10,866
Bromsgrove	D	£10,866
Broxtowe	D	£10,866
Buckingham	C	£12,261
Burnley	E	£9,472
Burton	D	£10,866
Bury North	E	£9,472
Bury South	E	£9,472
Bury St. Edmunds	D	£10,866
Caerphilly	E	£9,472
Caithness, Sutherland and Easter Ross	E	£9,472
Calder Valley	E	£9,472
Camborne and Redruth	C	£12,261
Cambridge	A	£15,050
Cannock Chase	D	£10,866
Canterbury	C	£12,261
Cardiff Central	D	£10,866
Cardiff North	D	£10,866
Cardiff South and Penarth	D	£10,866
Cardiff West	D	£10,866
Carlisle	E	£9,472
Carmarthen East and Dinefwr	E	£9,472
Carmarthen West and South Pembrokeshire	E	£9,472
Castle Point	A	£15,050
Central Ayrshire	E	£9,472
Central Devon	C	£12,261
Central Suffolk and North Ipswich	D	£10,866
Ceredigion	D	£10,866
Charnwood	D	£10,866
Chatham and Aylesford	A	£15,050
Cheadle	D	£10,866
Chelmsford	A	£15,050
Cheltenham	C	£12,261
Chesham and Amersham	A	£15,050
Chesterfield	E	£9,472
Chichester	C	£12,261
Chippenham	D	£10,866
Chorley	D	£10,866
Christchurch	C	£12,261
City of Chester	D	£10,866
City of Durham	E	£9,472
Clacton	D	£10,866
Cleethorpes	E	£9,472

Clwyd South	E	£9,472
Clwyd West	D	£10,866
Coatbridge, Chryston and Bellshill	E	£9,472
Colchester	D	£10,866
Colne Valley	E	£9,472
Congleton	D	£10,866
Copeland	E	£9,472
Corby	E	£9,472
Coventry North East	D	£10,866
Coventry North West	D	£10,866
Coventry South	D	£10,866
Crawley	A	£15,050
Crewe and Nantwich	D	£10,866
Cumbernauld, Kilsyth and Kirkintilloch East	E	£9,472
Cynon Valley	E	£9,472
Darlington	E	£9,472
Daventry	D	£10,866
Delyn	E	£9,472
Denton and Reddish	E	£9,472
Derby North	E	£9,472
Derby South	E	£9,472
Derbyshire Dales	D	£10,866
Devizes	C	£12,261
Dewsbury	E	£9,472
Don Valley	E	£9,472
Doncaster Central	E	£9,472
Doncaster North	E	£9,472
Dover	D	£10,866
Dudley North	E	£9,472
Dudley South	E	£9,472
Dumfries and Galloway	E	£9,472
Dumfriesshire, Clydesdale and Tweeddale	E	£9,472
Dundee East	E	£9,472
Dundee West	E	£9,472
Dunfermline and West Fife	E	£9,472
Dwyfor Meirionnydd	E	£9,472
Easington	E	£9,472
East Antrim	E	£9,472
East Devon	C	£12,261
East Dunbartonshire	E	£9,472
East Hampshire	B	£13,655
East Kilbride, Strathaven and Lesmahagow	E	£9,472
East Londonderry	E	£9,472

East Lothian	E	£9,472
East Renfrewshire	E	£9,472
East Worthing and Shoreham	C	£12,261
East Yorkshire	E	£9,472
Eastbourne	D	£10,866
Eastleigh	C	£12,261
Eddisbury	D	£10,866
Edinburgh East	E	£9,472
Edinburgh North and Leith	E	£9,472
Edinburgh South	E	£9,472
Edinburgh South West	E	£9,472
Edinburgh West	E	£9,472
Ellesmere Port and Neston	D	£10,866
Elmet and Rothwell	D	£10,866
Erewash	D	£10,866
Exeter	C	£12,261
Falkirk	E	£9,472
Fareham	C	£12,261
Faversham and Mid Kent	C	£12,261
Fermanagh and South Tyrone	E	£9,472
Filton and Bradley Stoke	B	£13,655
Folkestone and Hythe	D	£10,866
Forest of Dean	C	£12,261
Foyle	E	£9,472
Fylde	D	£10,866
Gainsborough	E	£9,472
Garston and Halewood	D	£10,866
Gateshead	D	£10,866
Gedling	D	£10,866
Gillingham and Rainham	D	£10,866
Glasgow Central	E	£9,472
Glasgow East	E	£9,472
Glasgow North	E	£9,472
Glasgow North East	E	£9,472
Glasgow North West	E	£9,472
Glasgow South	E	£9,472
Glasgow South West	E	£9,472
Glenrothes	E	£9,472
Gloucester	C	£12,261
Gordon	D	£10,866
Gosport	C	£12,261
Gower	D	£10,866
Grantham and Stamford	E	£9,472

Gravesham	A	£15,050
Great Grimsby	E	£9,472
Great Yarmouth	E	£9,472
Guildford	A	£15,050
Halesowen and Rowley Regis	E	£9,472
Halifax	E	£9,472
Haltemprice and Howden	E	£9,472
Halton	D	£10,866
Harborough	D	£10,866
Harrogate and Knaresborough	D	£10,866
Hartlepool	E	£9,472
Harwich and North Essex	D	£10,866
Hastings and Rye	D	£10,866
Havant	C	£12,261
Hazel Grove	D	£10,866
Hemel Hempstead	A	£15,050
Hemsworth	E	£9,472
Henley	A	£15,050
Hereford and South Herefordshire	E	£9,472
Hexham	D	£10,866
Heywood and Middleton	E	£9,472
High Peak	D	£10,866
Hitchin and Harpenden	A	£15,050
Horsham	B	£13,655
Houghton and Sunderland South	E	£9,472
Hove	A	£15,050
Huddersfield	E	£9,472
Huntingdon	D	£10,866
Hyndburn	E	£9,472
Inverclyde	E	£9,472
Inverness, Nairn, Badenoch and Strathspey	E	£9,472
Ipswich	D	£10,866
Isle of Wight	D	£10,866
Islwyn	E	£9,472
Jarrow	D	£10,866
Keighley	E	£9,472
Kenilworth and Southam	D	£10,866
Kettering	E	£9,472
Kilmarnock and Loudoun	E	£9,472
Kingston upon Hull East	E	£9,472
Kingston upon Hull North	E	£9,472
Kingston upon Hull West and Hessle	E	£9,472
Kingswood	B	£13,655

Kirkcaldy and Cowdenbeath	E	£9,472
Knowsley	D	£10,866
Lagan Valley	E	£9,472
Lanark and Hamilton East	E	£9,472
Lancaster and Fleetwood	E	£9,472
Leeds Central	D	£10,866
Leeds East	D	£10,866
Leeds North East	D	£10,866
Leeds North West	D	£10,866
Leeds West	D	£10,866
Leicester East	D	£10,866
Leicester South	D	£10,866
Leicester West	D	£10,866
Leigh	E	£9,472
Lewes	A	£15,050
Lichfield	D	£10,866
Lincoln	E	£9,472
Linlithgow and East Falkirk	E	£9,472
Liverpool, Riverside	D	£10,866
Liverpool, Walton	D	£10,866
Liverpool, Wavertree	D	£10,866
Liverpool, West Derby	D	£10,866
Livingston	E	£9,472
Llanelli	E	£9,472
Loughborough	D	£10,866
Louth and Horncastle	E	£9,472
Ludlow	D	£10,866
Luton North	A	£15,050
Luton South	A	£15,050
Macclesfield	D	£10,866
Maidenhead	A	£15,050
Maidstone and The Weald	C	£12,261
Makerfield	E	£9,472
Maldon	C	£12,261
Manchester Central	C	£12,261
Manchester, Gorton	C	£12,261
Manchester, Withington	C	£12,261
Mansfield	E	£9,472
Meon Valley	B	£13,655
Meriden	D	£10,866
Merthyr Tydfil and Rhymney	E	£9,472
Mid Bedfordshire	D	£10,866
Mid Derbyshire	E	£9,472



Mid Dorset and North Poole	C	£12,261
Mid Norfolk	D	£10,866
Mid Sussex	A	£15,050
Mid Ulster	E	£9,472
Mid Worcestershire	D	£10,866
Middlesbrough	E	£9,472
Middlesbrough South and East Cleveland	E	£9,472
Midlothian	E	£9,472
Milton Keynes North	A	£15,050
Milton Keynes South	A	£15,050
Monmouth	D	£10,866
Montgomeryshire	E	£9,472
Moray	E	£9,472
Morecambe and Lunesdale	E	£9,472
Morley and Outwood	D	£10,866
Motherwell and Wishaw	E	£9,472
Na h-Eileanan an Iar	E	£9,472
Neath	E	£9,472
New Forest East	C	£12,261
New Forest West	C	£12,261
Newark	E	£9,472
Newbury	C	£12,261
Newcastle upon Tyne Central	D	£10,866
Newcastle upon Tyne East	D	£10,866
Newcastle upon Tyne North	D	£10,866
Newcastle-under-Lyme	E	£9,472
Newport East	E	£9,472
Newport West	E	£9,472
Newry and Armagh	E	£9,472
Newton Abbot	D	£10,866
Normanton, Pontefract and Castleford	E	£9,472
North Antrim	E	£9,472
North Ayrshire and Arran	E	£9,472
North Cornwall	E	£9,472
North Devon	D	£10,866
North Dorset	D	£10,866
North Down	E	£9,472
North Durham	E	£9,472
North East Bedfordshire	A	£15,050
North East Cambridgeshire	D	£10,866
North East Derbyshire	E	£9,472
North East Fife	E	£9,472
North East Hampshire	A	£15,050

North East Somerset	A	£15,050
North Herefordshire	E	£9,472
North Norfolk	D	£10,866
North Shropshire	D	£10,866
North Somerset	B	£13,655
North Swindon	C	£12,261
North Thanet	E	£9,472
North Tyneside	D	£10,866
North Warwickshire	D	£10,866
North West Cambridgeshire	D	£10,866
North West Durham	E	£9,472
North West Hampshire	B	£13,655
North West Leicestershire	D	£10,866
North West Norfolk	E	£9,472
North Wiltshire	D	£10,866
Northampton North	D	£10,866
Northampton South	D	£10,866
Norwich North	D	£10,866
Norwich South	D	£10,866
Nottingham East	D	£10,866
Nottingham North	D	£10,866
Nottingham South	D	£10,866
Nuneaton	E	£9,472
Ochil and South Perthshire	E	£9,472
Ogmore	E	£9,472
Oldham East and Saddleworth	E	£9,472
Oldham West and Royton	E	£9,472
Orkney and Shetland	E	£9,472
Oxford East	A	£15,050
Oxford West and Abingdon	A	£15,050
Paisley and Renfrewshire North	E	£9,472
Paisley and Renfrewshire South	E	£9,472
Pendle	E	£9,472
Penistone and Stocksbridge	D	£10,866
Penrith and The Border	E	£9,472
Perth and North Perthshire	E	£9,472
Peterborough	D	£10,866
Plymouth, Moor View	D	£10,866
Plymouth, Sutton and Devonport	D	£10,866
Pontypridd	E	£9,472
Poole	C	£12,261
Portsmouth North	C	£12,261
Portsmouth South	C	£12,261

Preseli Pembrokeshire	E	£9,472
Preston	D	£10,866
Pudsey	D	£10,866
Rayleigh and Wickford	C	£12,261
Reading East	A	£15,050
Reading West	A	£15,050
Redcar	E	£9,472
Redditch	D	£10,866
Rhondda	E	£9,472
Ribble Valley	E	£9,472
Richmond (Yorks)	E	£9,472
Rochdale	E	£9,472
Rochester and Strood	A	£15,050
Rochford and Southend East	C	£12,261
Romsey and Southampton North	C	£12,261
Ross, Skye and Lochaber	E	£9,472
Rossendale and Darwen	E	£9,472
Rother Valley	E	£9,472
Rotherham	E	£9,472
Rugby	D	£10,866
Rushcliffe	D	£10,866
Rutherglen and Hamilton West	E	£9,472
Rutland and Melton	D	£10,866
Saffron Walden	C	£12,261
Salford and Eccles	C	£12,261
Salisbury	C	£12,261
Scarborough and Whitby	E	£9,472
Scunthorpe	E	£9,472
Sedgefield	E	£9,472
Sefton Central	D	£10,866
Selby and Ainsty	D	£10,866
Sheffield Central	D	£10,866
Sheffield South East	D	£10,866
Sheffield, Brightside and Hillsborough	D	£10,866
Sheffield, Hallam	D	£10,866
Sheffield, Heeley	D	£10,866
Sherwood	E	£9,472
Shipley	E	£9,472
Shrewsbury and Atcham	D	£10,866
Sittingbourne and Sheppey	D	£10,866
Skipton and Ripon	E	£9,472
Sleaford and North Hykeham	E	£9,472
Solihull	D	£10,866

Somerton and Frome	D	£10,866
South Antrim	E	£9,472
South Basildon and East Thurrock	A	£15,050
South Cambridgeshire	A	£15,050
South Derbyshire	D	£10,866
South Dorset	C	£12,261
South Down	E	£9,472
South East Cambridgeshire	A	£15,050
South East Cornwall	D	£10,866
South Holland and The Deepings	E	£9,472
South Leicestershire	D	£10,866
South Norfolk	D	£10,866
South Northamptonshire	D	£10,866
South Ribble	D	£10,866
South Shields	D	£10,866
South Staffordshire	E	£9,472
South Suffolk	D	£10,866
South Swindon	C	£12,261
South Thanet	C	£12,261
South West Bedfordshire	A	£15,050
South West Devon	D	£10,866
South West Norfolk	E	£9,472
South West Surrey	A	£15,050
South West Wiltshire	D	£10,866
Southampton, Itchen	C	£12,261
Southampton, Test	C	£12,261
Southend West	C	£12,261
Southport	D	£10,866
St. Austell and Newquay	C	£12,261
St. Helens North	E	£9,472
St. Helens South and Whiston	E	£9,472
St. Ives	C	£12,261
Stafford	D	£10,866
Staffordshire Moorlands	E	£9,472
Stalybridge and Hyde	E	£9,472
Stirling	E	£9,472
Stockport	D	£10,866
Stockton North	E	£9,472
Stockton South	E	£9,472
Stoke-on-Trent Central	E	£9,472
Stoke-on-Trent North	E	£9,472
Stoke-on-Trent South	E	£9,472
Stone	D	£10,866

Stourbridge	E	£9,472
Strangford	E	£9,472
Stratford-on-Avon	D	£10,866
Stretford and Urmston	C	£12,261
Stroud	C	£12,261
Suffolk Coastal	D	£10,866
Sunderland Central	E	£9,472
Surrey Heath	A	£15,050
Sutton Coldfield	D	£10,866
Swansea East	D	£10,866
Swansea West	D	£10,866
Tamworth	D	£10,866
Tatton	D	£10,866
Taunton Deane	D	£10,866
Telford	D	£10,866
Tewkesbury	C	£12,261
The Cotswolds	C	£12,261
The Wrekin	D	£10,866
Thirsk and Malton	E	£9,472
Thornbury and Yate	B	£13,655
Tiverton and Honiton	D	£10,866
Tonbridge and Malling	A	£15,050
Torbay	D	£10,866
Torfaen	E	£9,472
Torridge and West Devon	D	£10,866
Totnes	D	£10,866
Truro and Falmouth	C	£12,261
Tunbridge Wells	B	£13,655
Tynemouth	D	£10,866
Upper Bann	E	£9,472
Vale of Clwyd	D	£10,866
Vale of Glamorgan	D	£10,866
Wakefield	E	£9,472
Wallasey	D	£10,866
Walsall North	E	£9,472
Walsall South	E	£9,472
Wansbeck	E	£9,472
Wantage	A	£15,050
Warley	D	£10,866
Warrington North	D	£10,866
Warrington South	D	£10,866
Warwick and Leamington	D	£10,866
Washington and Sunderland West	E	£9,472

Waveney	E	£9,472
Wealden	B	£13,655
Weaver Vale	D	£10,866
Wellingborough	E	£9,472
Wells	D	£10,866
Wentworth and Dearne	E	£9,472
West Aberdeenshire and Kincardine	D	£10,866
West Bromwich East	E	£9,472
West Bromwich West	E	£9,472
West Dorset	D	£10,866
West Dunbartonshire	E	£9,472
West Lancashire	D	£10,866
West Suffolk	D	£10,866
West Tyrone	E	£9,472
West Worcestershire	D	£10,866
Westmorland and Lonsdale	D	£10,866
Weston-Super-Mare	D	£10,866
Wigan	E	£9,472
Wimbledon	A	£15,050
Winchester	B	£13,655
Wirral South	D	£10,866
Wirral West	D	£10,866
Witham	D	£10,866
Witney	A	£15,050
Woking	A	£15,050
Wokingham	B	£13,655
Wolverhampton North East	E	£9,472
Wolverhampton South East	E	£9,472
Wolverhampton South West	E	£9,472
Worcester	D	£10,866
Workington	E	£9,472
Worsley and Eccles South	C	£12,261
Worthing West	C	£12,261
Wrexham	E	£9,472
Wycombe	A	£15,050
Wyre and Preston North	D	£10,866
Wyre Forest	D	£10,866
Wythenshawe and Sale East	D	£10,866
Yeovil	D	£10,866
Ynys Mon	D	£10,866
York Central	D	£10,866
York Outer	D	£10,866

## **ANNEX C: OTHER PAYMENT METHODS**

### **Advances**

MPs may claim payment in advance for items of £200 or more for any expense type except mileage. MPs can claim an advance by selecting “Yes, not yet Paid” under the information field “Advance?” on the claim form for the relevant expense type, and submitting an unpaid invoice. The MP is then required to 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, we will not expect MPs to submit any further supporting evidence after we have paid the advance.

### **Payment card**

IPSA will on request provide MPs with a payment card which can be used to pay for:

1. travel (including tolls and congestion charges, but excluding mileage and taxis);
2. utilities such as electricity, water, gas and heating fuels;
3. council tax and business rates;
4. hotels;
5. stationery; and
6. constituency office telephone bills for landlines.

Each transaction is limited to £500, 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 submit their reconciliation forms and evidence, ideally within two weeks and at the latest within 30 days of receiving the email. If MPs do not complete their reconciliation forms within 30 days without good reason, IPSA may suspend the use of the payment card until the outstanding reconciliation forms are complete.

Use of the card may also be suspended if it is persistently or seriously used outside the Scheme. Where MPs have used the card outside the Scheme or the guidance for its use, they should select “Not Claimed, To Repay” on the reconciliation form and send IPSA a cheque.

IPSA may also seek repayment for use of the card where an MP does not reconcile after the card is suspended, or we determine that a purchase cannot be paid and mark it “Not Paid” on the reconciliation form.

### **Payments to landlords**

IPSA is able to make payments directly to MPs’ landlords for rental of accommodation and constituency offices, once MPs have registered their rental agreement with IPSA. MPs can request direct payments by completing the “Simplified Payments Application Form” on our website, and sending a signed copy to us.

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). For rental agreements longer than a year, once every 12 months the MP will need to confirm in writing the details of the rental agreement and that it remains in force.

### **Deposit loans**

As detailed in paragraphs 4.23 and 6.11, 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 our website, and sending it to IPSA with their final or draft rental agreement. MPs will need to repay the loan within one month of the deposit being repaid to the MP, or the rental agreement ending, or ceasing to be an MP (whichever is earliest).