

Compliance Officer for IPSA

Review of a determination by IPSA to refuse an expense claim

Ms Valerie Vaz MP

Member of Parliament for Walsall South

Claim number 47431

A. Introduction

1. The Compliance Officer¹ for the Independent Parliamentary Standards Authority has at the request of Valerie Vaz MP carried out a review, of a determination by the Independent Parliamentary Standards Authority (IPSA) to refuse in part a claim submitted by Ms Vaz.
2. The Review was conducted by Luke March² in accordance with section 6A(1)(b) of the Parliamentary Standards Act 2009 (as amended by the Constitutional Reform and Governance Act 2010) (the Act).

B. Summary of Review

3. On 15 November 2010 Ms Vaz submitted a claim (claim number 47431) for reimbursement by IPSA. On 29 November 2010 IPSA refused the claim in part. On 20 December Ms Vaz asked IPSA to reconsider its determination. On 10 February 2011, IPSA advised Ms Vaz that it had reconsidered the claim and upheld its original determination.
4. On 22 February 2011 Ms Vaz wrote to the Compliance Officer to request a review into IPSA's partial refusal of claim number 47431, for the amount of £1339.19, which related to the printing costs for a parliamentary communication/newsletter. In her letter, Ms Vaz presented detailed grounds for appeal, on the basis that the Scheme rules "*discriminate directly against MPs communicating through print media with their constituents*". A copy of Ms Vaz's submission is published alongside this statement.
5. On 14 April, the Compliance Officer notified IPSA that he would be conducting a review of claim number 47431, and requested all relevant documentation.
6. IPSA subsequently supplied all original invoices and supporting documentation held on its files relating to claim number 47431.
7. During the Review, the Compliance Officer considered, in addition to Ms Vaz's claim, IPSA's validation process and the reasonableness of the method that was used.

¹ For the purposes of this statement, actions of the Compliance Officer may have been carried out by the members of his staff acting on his behalf.

² Luke March was the Compliance Officer for IPSA at the time of the Review.

C. Findings

8. On completing the Review, the Compliance Officer wrote to Ms Vaz on 23 June 2011 to advise her of his findings. In his letter he stated the following:

“Following your request for a review on 22 February 2011, in respect of claim number 47431, I have examined your grounds for Appeal, pursuant to section 6A(1)(b) of the Parliamentary Standards Act 2009 (as amended by the Constitutional Reform and Governance Act 2010).

I have analysed all the information provided by yourself and IPSA, and determined that the printing costs for a parliamentary communication/newsletter cannot be reimbursed. This determination is in accordance with the guidance attached to paragraph 10.4(e) of the MPs’ Expenses Scheme (second edition, printed 2 September 2010) which states the following:

“Costs associated with the production of newsletters are not reimbursable”

When analysing the claim I found that IPSA had made a miscalculation when pro-rating the VAT. The amount which should have been refused was £1351.25 (£1150 + 17.5%), rather than £1339.19; an amount due to IPSA of £12.06.

In respect of your grounds for Appeal, I believe that IPSA should consider the points you raise when they next review the MPs’ Expenses Scheme. Therefore, I have passed on a copy of your letter to them for this specific purpose.”

“Although there has been a miscalculation of the VAT, I will not require you to repay the amount of £12.06 as this would not be proportionate.”

VALERIE VAZ MP



**HOUSE OF COMMONS
LONDON SW1A 0AA
Tel: 020 7219 7176**

22nd February 2011

The Compliance Officer
IPSA
PO Box 68209
London SW1P 9TZ

Dear Sir/Madam

Request for review of IPSA decision to refuse part claim

Claim Number: 47431 Amount refused: £1339.19

I request a review of the IPSA's refusal to pay the above part claim. The refused part of the claim concerns printing costs for a parliamentary communication/newsletter. The chronology of events is attached.

Summary of Grounds for Appeal

- The IPSA scheme makes unreasonable and irrational distinctions on how MPs may communicate and be accountable to their constituents
- The scheme is fettering an MPs discretion on how they can best be accountable to their constituents
- The scheme places a blanket restriction on MPs producing printed material communicating their breadth of work as a parliamentarian to constituents using parliamentary allowances.
- Amendments can be, and have been, made to the scheme

Introduction

The IPSA Expenses Scheme states that its purpose is to meet MP's

'expenses necessarily incurred in the performance of their parliamentary functions'.

The whole IPSA regime has been set up to make MPs accountable to a body independent of Parliament. The equal or more fundamental accountability that an MP has is to his or her constituents.

This appeal demonstrates how that fundamental accountability to constituents is being unfairly restricted by the IPSA scheme.

Bias against print media

The scheme's rules, as they stand, discriminate directly against MPs communicating through print media with their constituents.

Website design and website hosting are both reimbursable through the scheme. And they should be. Therefore IPSA accepts that MPs being accountable to their constituents through digital media is an expense necessarily incurred in the performance of MP's parliamentary functions.

Most MP's websites contain reports on an MP's activities, their speeches, written and oral questions, EDMs, biographical information, contact details, information about surgeries and offices, expenses details, voting records etc. In short, being accountable to constituents, as their representative in Parliament, for their work as their MP.

Yet IPSA has arbitrarily decided that MPs cannot be accountable to their constituents for all the above if they wish to communicate this in print to their constituents, such as through a parliamentary newsletter.

The latest figures available (2009) from Ofcom about internet access by households reveal that only 70% of households in the UK do have internet access. Worse, there are regional variations. In the urban West Midlands the figure is as low as 58%. (Source: p.120 *Communications Market Report 2009 – English Regions*, Ofcom.) Given that Walsall South is an urban West Midlands constituency this means that on the figures available just over half of my constituency have access to my website.

It is neither reasonable nor equitable that IPSA considers that an MP can be accountable to one half of their constituents using tax-payer funded communication whilst considering the other half not worthy of tax-payer funded communication.

As you will be aware, the Press, most of which is privately owned, print a very low percentage of press releases submitted by MPs. However, I note the significant communications budget of IPSA itself, and the fact that IPSA publishes an annual report at tax-payers expense – no doubt to be accountable to parliament and the public for the work IPSA is carrying out. MPs should be entitled to do exactly the same.

As IPSA itself has striven to show, MPs can only be accountable when there is transparency and unrestricted communication of information.

The blanket restriction on MPs producing printed communications/newsletters or annual reports about their work as a parliamentarian using parliamentary allowances cannot be allowed to continue, preventing MPs being accountable to all constituents.

It cannot be democratic or ethical that IPSA should decide which constituents can be communicated with and how, exercising a power to exclude constituents from this process.

The digital age is all encompassing in SW1 – it is not in WS1.

In conclusion, the information being communicated to constituents through digital media using parliamentary allowances is the same information being communicated to constituents in printed format therefore it must be allowed using parliamentary allowances as it is a legitimate expense incurred wholly and necessarily in the course of an MP's work. The fact it is prohibited is unreasonable and irrational, and fetters the discretion of MPs.

Other aspects to consider

Given the paucity of the General Admin Expenses allowance, and the cost of printing, MPs will not be printing parliamentary communication leaflets/newsletters at will.

Given that IPSA continues to enforce this prohibition, it must be concluded that IPSA expects Members of Parliament to report their work as a parliamentarian in print at their own expense. This supports the view of Adam Afriye MP who is campaigning against the current IPSA scheme on the grounds that it discriminates against MPs

who have no independent wealth or income, and is likely to lead to a narrowing of the Commons profile according to wealth.

The alternative is that MPs look for funding of this printing elsewhere. To which my first response is 'why should they?' when they are only carrying out their duties as a parliamentarian to be accountable to their constituents, incurring a necessary expense. In practice, this alternative is likely to lead to wealthy benefactors, business or trade unions paying, none of whose role or purpose is to be accountable to constituents for the work of an MP.

Conclusion

I submit that the costs of printing the attached leaflet entitled 'Parliamentary Newsletter' should be allowed.

I would be grateful if you could let me know the timetable for this review. Also, what provision there is for further appeal, or whether this would necessitate judicial review.

Yours faithfully

Valerie Vaz.

Valerie Vaz MP
Walsall South

Chronology of events

8.11.10	submitted claim number 47431 for printing costs of name cards, communication cards, letter heads and parliamentary newsletter
6.12.10	Notified by [REDACTED] of IPSA, by email, that the claim had been partly refused. This was the notification, contrary to [REDACTED] [REDACTED] comments in the last email.
20.12.10	Responded to [REDACTED] email, requesting a review of the decision within the 14 day limit.
20.1.11	Follow up email to [REDACTED] as no response had been received to the email of 20th December.
4.2.11	Further reminder email sent as still no response.
8.2.11	Further reminder email sent as still no response.
10.2.11	Response received from [REDACTED] IPSA

Copies of emails and newsletter are attached.