

UPRATING OF EXPENSES PROVISION FOR FINANCIAL YEAR 2014-15

Executive Summary

1. The SPCB is invited to agree the indices to be used to increase the Members' Expenses Provisions and the Party Leaders Allowance for the financial year 2014-15.

Issues and Options

2. Provision is made under paragraph 1.2.4 of the Reimbursement of Members' Expenses Scheme and Rule 6(1) of the Party Leaders' Allowance Scheme to increase the provision made on 1 April each year in line with indices the SPCB considers appropriate. Paragraph 1.2.5 of the Members' Expenses Scheme also determines that any increased expenses limit for the major expense categories will be rounded up to the nearest £100 at each uprating.

3. The increases applied to the expenses provisions in previous years have consistently been determined from two different indices. The Office Cost Provision has been increased in line with the January All Items RPI figure while the Staff Cost Provision has been increased by what is now known as the Average Weekly Earnings Headline Rate (AWE), for the period October to December of the current financial year. All other expenses provisions have been increased in line with the RPI figure.

4. In terms of the Office Costs Provision, if the All Items RPI figure is applied there would be an increase of 2.8% (January figure), raising the annual maximum limit from £16,900 to £17,400 at 1 April 2014, an increase of £500 (representing an actual increase of 3.0% when rounded up). Details of the application of these indices are listed at Annex A.

5. Applying the Average Weekly Earnings Headline Rate (AWE), the Staff Costs Provision at 1 April 2014 would increase by 1.1% (figures up to the end of December), increasing the provision from £60,300 to £61,000, an increase of £700 (representing an actual increase of 1.2% when rounded up).

6. In accordance with the Scheme, the different mileage rates are set in accordance with the rate determined by the Income Tax (Earnings and Pensions) Act 2003. There has been no increase in these rates and as such the rates previously paid remain unaltered at 45 p per mile for motor mileage. Details again are provided at Annex A.

7. The uprating of the Party Leaders Allowance (PLA) also requires to be considered. If the same combination of indices previously adopted were applied it would result in the PLA being set at £27,993 for 2014-15, an increase of £415 (1.5%), for the Leader of a party with thirty or more Members

and £14,688 an increase of £218 (1.5%), for the Leader of a party with fifteen Members but not more than twenty-nine.

Resource Implications

8. The approved 2014-15 budget contains adequate provision for the indexation of Members' expenses in line with the standard uprating provisions of the scheme.

Publication Scheme

9. This paper will be published in line with the Parliament's Publication Scheme.

Recommendation

10. The SPCB is invited to agree the indices to be applied to uprate the Members' Expenses provision for the financial year 2014-15 on 1 April.

Allowances Office
March 2014

EXPENSES RATES

Provision	Current Level	Proposed Increase	Proposed New Rate	Actual % Increase
Office Cost Provision	£16,900	RPI – 2.8%	£17,400*	3.0%
Staff Cost Provision	£60,300	AWE – 1.1%	£61,000*	1.2%
Edinburgh Accommodation Provision	£13,000	RPI –2.8%	£13,400*	3.1%
Edinburgh Accommodation Provision – Overnight Rate	£144	RPI – 2.8%	£148	2.8%
Overnight UK (excluding Greater London)	£144	RPI – 2.8%	£148	2.8%
Overnight (Greater London, Brussels, Strasbourg)	£168	RPI – 2.8%	£173	3.0 %
Surgery Advertising	£1,673	RPI – 2.8%	£1,720	2.8%
Telecommunications	£1,270	RPI – 2.8%	£1,306	2.8%
Winding Up	£5,576	RPI – 2.8%	£5,732	2.8%
Party Leaders Allowance 30+ members	£27,578	Combined Indices	£27,993	1.5%
Party Leaders Allowance 15 to 29 Members	£14,470	Combined Indices	£14,688	1.5%
Motor Mileage	45p per mile for first 10,000 miles and 25p per mile thereafter		45p per mile for first 10,000 miles and 25p per mile thereafter	
Motor Cycle Mileage	24p		24p	
Pedal Cycle Mileage	20p		20p	

* Rounded up to nearest £100 in accordance with the provision made in the Reimbursement of Members' Expenses Scheme.