

REIMBURSEMENT OF EXPENSES SCHEME – EXCEPTIONAL EXPENSES

Executive summary

1. The SPCB is invited to consider an application for exceptional expenses under paragraph 7.2 of the Reimbursement of Members' Expenses Scheme (expenses scheme) to establish a regional office in Central Scotland region.

Issues and Options

2. An application has been received from Mark Griffin, Margaret McCulloch and Siobhan McMahon for exceptional expenses to establish a regional office in Central Scotland region. Under the expenses scheme, provision is made for a Member to apply for the reimbursement of any exceptional expenses incurred by the member in connection with the performance of parliamentary duties.

3. The application submits a case for exceptional expenses to run a regional office in Airdrie. The Members have submitted that they have found difficulty in finding appropriate premises but have now identified a property owned by North Lanarkshire council sub-let to Clyde Valley Housing which would be the landlord. At present the space is a café and to modify it into an office for the Members and their staff will require a number of modifications.

4. These include partitioning, installation of a computer flooring system, installation of a ceiling lighting grid system, installation of data points and carpeting. We have also received confirmation from the Members that they have looked at other private sector accommodation within Airdrie but the rents are not within the capped office costs capped provision for the Members. The members have negotiated an annual rent of £9,217 and services/ utilities of £4,963 both subject to VAT (total £17,646).

5. The costs of the modifications are about £15,000. 50% of this could be met by the landlord with the Members also funding 50% which could be by way of a lump sum which is the preference of the Members. We do, however, understand that the landlord would also be willing to consider annual payments of £1,500 over the course of the 5 year lease. The application for exceptional expenses covers these additional costs.

6. The expenses scheme makes provision for a capped office costs provision which all Members are required to remain within to run an office(s). In this case each Member is entitled up to a maximum of £7,661 office costs provision per annum totalling £22,893 for all 3 Members (figures total £20,778 this year because the calculation only commenced on the day of the election).

7. Applications for exceptional expenses are normally made to cover the costs of unforeseen circumstances. In this case the application is for costs to cover adaptations in advance of a lease having been agreed and this raises the question over whether the circumstances in this case are exceptional. It is also the case that Members in leasing premises are required to remain within the capped office costs provision.

8. The SPCB will note that based on the figures provided as part of the application, and if the modifications were paid for over the 5 year period, the annual office costs would total £19,146 which would be within the office costs capped provision. Although, this would limit any further commitments on the office costs provision to £1,249 each to cover surgery hall hire, costs of publications and other costs that can be met out of the office costs provision.

9. The SPCB is invited to consider whether this application is for exceptional circumstances or invite the Members to consider meeting the costs out of the existing provision (with the modifications paid for over a 5 year period) or look to other properties within the region where the rental costs are less.

Resource Implications

10. Should the SPCB decide the circumstances are exceptional and the costs of the modifications should be met we would suggest that it is on the basis of five annual payments of £1,500 over the course of the 5 year lease.

Governance issues

11. There are no governance issues.

Publication Scheme

12. This paper can be published in accordance with the SPCB's publication scheme.

Next steps

13. To inform Members of the decision.

Decision

14. The SPCB is invited to consider the application for exceptional expenses to modify a regional office to enable a lease to be entered into.