

REIMBURSEMENT OF MEMBERS' EXPENSES SCHEME – APPLICATION FOR AN ADDITIONAL REGIONAL OFFICE

Executive Summary

1. This paper invites the SPCB to consider an application by Members of a party in the South of Scotland to establish an additional regional office under paragraph 4.2.6 of the Reimbursement of Members' Expenses Scheme (expenses scheme). The application has also indicated that the proposal is for the main office not to be in a permanent office location but to be a 'mobile office'. The SPCB is therefore also invited to consider whether a mobile office would be permissible.

Issues and Options

2. The South of Scotland region is one of the regions where, on application to the SPCB by all Members of a party group, an additional office is permitted. We have received an application from Graeme Pearson and Claudia Beamish, two Labour Members returned as regional MSPs for South of Scotland, to use a van as a mobile office in the region with a second office located in Clydesdale, with the exact location to be confirmed over the summer. The arrangements proposed with regard to the van are as follows:-

- Ownership - The van is owned by Mr Pearson's member of staff;
- Use – The van will be a ford Transit and used 4 days per week;
- Opening Hours – 10.00am to 4.00pm;
- Advertising – Location and opening hours of the van will be advertised through the local media for the area;
- Work - All work undertaken in the van would be area based and would include meetings with constituents. The van would travel through-out the region undertaking office functions;
- Schedule of Visits – Meetings and visits would be scheduled and arranged on a flexible basis;
- Costs - It is proposed that the running costs of the van would be met such as petrol, insurance, servicing, road tax and signage;
- Permanent Base – It is proposed that the permanent base for the van would be the home of Mr Pearson's member of staff who will drive and manage the van. His home is located in Hamilton which is outside the boundary of the South of Scotland region.

3. We have been advised that in terms of communicating and meeting with constituents the Members would wish to operate an "outreach" programme in the South of Scotland and a mobile office would provide the flexibility to facilitate this approach.

4. This is the first time we have received an application for a van to be used as an office instead of a permanent office location within a property.

The expenses scheme is silent on this and therefore the first issue on which we would invite the SPCB to consider is the principle of whether an office has to be, in the traditional sense, a place within a fixed property or whether there is the flexibility within the scheme for something more mobile to be considered as an office with costs associated with it being reimbursed out of the office costs provision.

5. There are arguments for and against something more mobile. In favour, one could argue that it provides the Member with greater flexibility in meeting constituents throughout the region and he or she is more accessible. Against this, the SPCB might wish to consider whether there are physical access issues in using a non-traditional office and whether or not it provides a suitable working environment for the Member and staff.

6. It might be helpful in considering the principle of this issue if we consider what the purpose of an office is. Basically, it provides a range of functions. It is a place of work which can be used by Member or staff in dealing with correspondence and, issues raised by constituents. It can be a place where meetings can be held and members of the public can access to raise issues of concern or seek information.

7. If the SPCB agrees with this, the next issue is whether something more 'mobile' could also meet this criterion. Should the SPCB consider that it could then it would provide more flexibility to the meaning of what an office should be in terms of the expenses scheme? **The SPCB is invited to consider the principle of whether an office has to be a permanent place within a building or whether a mobile facility would qualify.**

8. Should the SPCB agree the principle that an office can be something that is 'mobile, the next issue is whether, in terms of this application, a Ford Transit van would be acceptable in terms of a 'mobile office'. It could be argued that mobile offices are more likely to be in the form of a mobile library or mobile bank which are more common. However, using a lap top and a mobile phone it is possible that work could be undertaken from a Ford Transit van, depending on local network connectivity. The van is certainly mobile and can be used to meet with constituents – such meetings would not necessarily have to take place within the van.

9. Properly advertised it is also possible that members of the public could raise issue or seek information from whomever is within the van, although provision already exists for Members to hire local venues for surgeries from the office costs provision and for the reimbursement of a Member's travel within the region.

10. The SPCB would also, however, need to consider if this sort of van is an appropriate working environment for a Member or member of staff to be working from for 6 hours a day. There are also limitations to the type of 'fit out' which could be undertaken to make it an appropriate working environment. There are therefore pro and cons which the SPCB will wish to consider in reaching a view on this specific application provided it meets the

principle. **The SPCB is invited to consider, if it is agreeable to the principle of a mobile office, whether this application meets the criteria of a mobile office.**

11. In relation to this specific application, the SPCB will note that the van is owned by the member of staff employed by Mr Pearson. The scheme provides at paragraph 4.2.9 that a Member is not entitled to the reimbursement of local office costs if the Member leases premises from a close family member or any other connected person. The definition of a connected person is given as a business partner or business associate of the Member. We do not consider that this applies to a member of staff as the purpose of this provision in the scheme is to preclude Members from giving a financial advantage to persons related to them and/or with whom they already do business.

12. One of the principles of the expenses scheme, however, is selflessness. This principle states 'a Member shall ensure that any claim is submitted solely in respect of the performance of parliamentary duties and is not submitted in order to gain financial or other benefit for the Member or any other person'. The application has made clear that the running costs of the van would be met such as petrol, insurance, servicing, road tax and signage. **The issue the SPCB might therefore wish to consider is whether this arrangement is also permissible within the spirit of the principle of selflessness.**

13. The application also covers an additional office to be located in Clydesdale at a location to be confirmed over the summer. Should the SPCB agree to the mobile office it is also invited to consider whether this additional office should be permitted under the expenses scheme? It is more difficult to offer advice on the geographic location in this instance given that the other office would be mobile and therefore not permanently based in any one location. However, if the mobile office is not agreed then the present application would be for only one regional office where approval of the SPCB is not required. **The SPCB is invited to consider, if the mobile office is agreed, whether an additional office can be established in the Clydesdale area.**

Resource Implications

14. The office costs would be met out of the Members' office costs provision from within the expenses scheme. As with any application for an additional office there are cost implications with the office costs entitlement for 2 offices being £13,000 more than a single office.

Governance Issues

15. Should the SPCB consider this application to be acceptable there would be some administrative issues we would like to discuss further with the Member. These issues include the wording of the employment contract for the member of staff, issues around insurance and health and safety and

taxation. Should any of these be problematic we would refer back to the SPCB.

Publication Scheme

16. This paper can be published.

Next Steps

17. To advise the Members of the SPCB's determination.

Decision

18. The SPCB is invited to consider and agree:

18.1. The principle of whether a "mobile office", not having a permanent place within a building, is eligible for reimbursement of office costs under the Expenses Scheme.

18.2. If so, whether, in respect of this particular application, this arrangement meets the criteria of a mobile office.

18.3. In respect of this particular application, whether the arrangement would be within the spirit of the principle of selflessness.

18.4. If the mobile office is agreed, whether an additional office can be established in the Clydesdale area.

Allowances Office
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