

ESTABLISHING REGIONAL OFFICES

Executive summary

1. The SPCB is invited to consider an issue around the establishment of regional offices in situations where not all Members wish to use the regional office.

Issues and Options

2. Following the May 2011 election we are aware that some Members do not wish to enter into regional office arrangements but instead to work from the Parliament. While there is nothing to prevent any Member working from the Parliament there is an impact on the office costs provision available to the Member and also to the other Members of the same party group who propose to establish a regional office and it would be helpful to have a steer on this matter from the SPCB.

3. The Reimbursement of Members' Expenses Scheme (expenses scheme) makes provision for the office costs provision. For constituency Members this is £16,300 and for regional Members the calculation is based on the number of regional Members returned for each party group in a particular region and, in those regions where an additional office is approved by the SPCB, the number of offices. The following table shows how the office costs provision is calculated.

Number of Regional Members	Percentage of Limit on Office Costs Applicable to a Single Regional Member	
	One Office in the Region (limit per member)	Two Offices in the Region (limit per member)
2	60%	100%
3	47%	80%
4	40%	65%
5	36%	56%

4. The expenses scheme also provides that where a Member does not establish and run a local parliamentary office, or where a Member uses an office in the Parliament as a local parliamentary office, the Member's office costs provision is abated by 50%. This would have an impact on the entitlement available to the other regional Members of the same party group within the same region.

5. This is best explained by way of an example. If 3 regional Members are returned from the same party group within a region and propose to open up an office in the region, each Member will be entitled to 47% of the capped office costs provision. For the 3 Members together this would total 141% of

the provision which reflects the requirement for a larger office and increased utility costs for all Members sharing an office. However, if one Member decided to base him or herself at the Parliament their own entitlement, under the expenses scheme, is abated by 50% while the remaining 2 Members will only have 94% (47% each) of the office costs provision between them to run an office, which is less than what a single Member would be entitled to.

6. Should the SPCB consider that this is an issue which requires to be addressed we would propose 2 options.

Option 1

6.1. Using the above example, where a Member decides to work from the Parliament and has the office costs provision abated by 50% the remaining 50% could be transferred to the other 2 regional members bringing their entitlement up to 117.5% making an office more affordable in the region for them.

Option 2

6.2. To abate by 50% the office costs provision of the Member who decides not to enter into an arrangement for a regional office and to calculate the entitlement of the other Members based on the number of regional Members less one. For the example used above this would mean that the 2 Members entering into an office arrangement would be entitlement to up to 60% each instead of 47%.

7. The SPCB is invited to consider this issue and decide it preferred option.

8. The SPCB might also wish to be aware of the possibility of a Member working from the Parliament but making a contribution towards the regional office occupied by other Members. One interpretation of the expenses scheme could be that the Member's office costs provision should be abated.

9. On the other hand it could be argued that if a Member is making a minimum and reasonable contribution towards the costs of running an office his or her provision should not be abated. If the SPCB agrees with this interpretation there is a question about what is reasonable. We would propose that for 2 Members it should be half of the office running costs, for 3 Members one-third, 4 Members one-quarter and 5 Members one-fifth. **Does the SPCB agree?**

Resource Implications

10. The costs to the expenses scheme would not be any greater than if all Members decided to share a regional office. However, any financial savings made by a Member working from the Parliament and having their office costs provision abated by 50% would not be realised. Option 2 would result in a slightly higher aggregate entitlement in some, but not all, cases.

Governance issues

11. This paper has been discussed with Solicitor's Office.

Publication Scheme

12. This paper should not be published until such time as the issues have been finalised.

Next steps

13. Depending on the decision taken to notify any Members impacted by this matter.

Decision

14. The SPCB is invited to:

14.1. Consider where a Member decides to work from the Parliament and has the office costs provision abated by 50% the remaining 50% could be transferred to the other regional members; or

14.2. To abate by 50% the office costs provision of the Member who decides not to enter into an arrangement for a regional office and to calculate the entitlement of the other Members based on the number of regional Members less one.

14.3. Agree that where a Member is making a minimum and reasonable contribution towards the costs of running an office his or her provision should not be abated provided that the contribution for a region with 2 Members of the same party group it should be half of the office costs provision, for 3 Members one-third, 4 Members one-quarter and 5 Members one-fifth

Allowances Policy
June 2011