



The Scottish Parliament
Pàrlamaid na h-Alba

Local and Home Reimbursement of Members' Expenses Scheme – Session 6 Scheme Review Remit

2 May 2024

Reference: SPCB (2024) Paper 35

Executive summary

1. This paper invites the SPCB to commission a review of the Reimbursement of Members' Expenses Scheme (the Scheme) during the current session of Parliament, to enable any agreed revisions to be effective from the start of the next session in May 2026. The Scheme is typically reviewed once in every parliamentary session so that, should any changes be required, these can be implemented from the start of a session.

Issues and options

2. The Scottish Parliament determines the expenses of its Members in respect of costs associated with carrying out their parliamentary and representative role, including provision for Members to employ staff. The Scheme is reviewed on a sessional basis to:
 - ensure it remains operationally fit for purpose in supporting Members in carrying out their parliamentary duties; and
 - consider any issues that have arisen during the session that may require Scheme changes or a change in the way support is provided to Members.
3. It has been demonstrated that substantial aspects of the current Scheme are well understood and work well but the SPCB are invited to consider any areas where pragmatic, evidence-based changes are required. Given the Scheme is working well it is proposed that the review be light touch overall, given the significant changes made to the Scheme in the last review.

4. The ways in which Members and their staff work have developed considerably since the start of this session, especially in relation to representing and communicating with their constituents and the way they work with more hybrid working arrangements and practices in place.

Remit

5. The Scheme review will aim to identify the most appropriate, efficient and cost-effective support for Members to continue to enable them to undertake their parliamentary duties. It will cover expenses reimbursed through the Scheme, resources provided directly by the SPCB's budget and the arrangements for party leaders' allowances and Financial Assistance for Political Parties.
6. The founding principle will, as far as possible, be that any proposed changes are cost neutral and where this is not possible a clear indication of any anticipated costs will be provided for consideration as part of the recommendations. The SPCB is invited to agree the following remit for the review:

The Scheme

- Consider whether any general changes to the Scheme are required to support hybrid and homeworking arrangements.
- Consider whether any general changes to the Scheme are required to support family friendly arrangements such as maternity leave, paternity leave, shared parental leave etc.
- Assess the Scheme rules and operations to clarify and clearly define the difference between party spokesperson and parliamentary duties.
- Review Edinburgh Accommodation Provision in terms of its operation, financial sustainability in the longer term and the level of provision limit.
- General overview of Office Cost Provision to ensure level remains sufficient to support Members.
- Review Staff Cost Provision level to ensure it remains appropriate following recent benchmarking exercise including consideration of pay and terms and conditions.
- Review Travel provision in relation to the use of car hire and mileage rate.

- Review changes to training provision within the Scheme to ensure the changes made at the start of Session 6 to create a central training budget and limited delegation continue to meet Members and their staff needs.

Outwith the Scheme

- Review of Party Leaders Allowance operation and level of support.
- Review of Short Monies (Financial Assistance for Political Parties).

Principles / outcomes

7. It is proposed that the existing 'Principles of the Scheme' (Objectivity, Accountability, Openness, Integrity, Selflessness, Honesty and Leadership) should be fully retained.
8. The review will aim to continue to provide a cost-effective scheme which is straightforward for Members to understand and use.
9. Transparent reporting of Members' expenditure will continue, to maintain public confidence in the arrangements.

Methodology & timescale

10. It is proposed that the review of the Scheme be undertaken as set out below:
 - The review will be undertaken internally by officials, reporting to the Corporate Body in May 2025.
 - Proposals for operation of the Scheme will be informed by best practice from other organisations, including audit recommendations.
 - Engagement with a small representative sample of Members and Members' staff will be undertaken to inform recommendations. The information gathered will be considered alongside any feedback received through the organisations regular Member interviews. We propose representatives for engagement be nominated by parties via SPCB Members.
 - Detailed analysis of internal and external data in relation to Members' spend generally and, in particular, in relation to rent levels.

Governance

11. Any changes proposed to the Members' Expenses Scheme or Party Leaders Allowance Scheme will require to be considered by the whole

Parliament by way of a resolution and motion laid by the portfolio Member on behalf of the Corporate Body prior to the end of the session.

12. Any change to the Financial Assistance for Political Parties Order will require to be considered by Parliament and necessitate a change to the legislation.

Resource implications

13. The cost of undertaking the review will be met from existing office budgets where additional resources have already been put in place to support this and other project work to end December 2025.
14. Any cost implications of any proposed changes will be included in the recommendations to enable full consideration by the SPCB.
15. In relation to the review of Edinburgh Accommodation and Office Cost Provision rents some external expertise may be required to establish the current market costs and resources required to enable the cost of that expertise to be met. This cost is currently unknown but a contract to access such expertise is currently in place.

Publication Scheme

16. This paper can be published in accordance with the SPCB's publication Scheme.

Next steps

17. Subject to the SPCB's approval, officials will commence work on the Review over the coming months with the aim of recommendations being considered in May 2025.

Decision

18. The SPCB is invited to commission an internal review of the Reimbursement of Members' Expenses Scheme, as set out above, to enable any agreed revision to be considered by Parliament this session and be put in place effective from the start of the next session in May 2026.

Allowances Office

18 April 2024