
HOUSES OF THE OIREACHTAS COMMISSION

MEETING TUESDAY 7 MARCH 2017

UPDATE ON THE PUBLIC REPRESENTATION ALLOWANCE AUDIT PROCESS

Commission decision required:

- The Commission is requested to note the update on the Independent Audit Process under the Public Representation Allowance (PRA).

At its meeting on 31 January, 2017, the Commission requested requested a paper on the independent audit process under the Public Representation Allowance (PRA) for consideration at its next meeting.

Included in this paper is:

- (i) a synopsis of feedback received from members on the independent audit process (on page 3) and
- (ii) a record of consultations with the independent auditor conducted in 2014 (set out in the Appendix).

Background

1. The annual audit of the Public Representation Allowance (PRA) (i.e. part of the Parliamentary Standard Allowance (PSA) which is paid to Members of the Oireachtas monthly). It is currently undertaken by Mazars.

The relevant SI (84 of 2010) states in Section 6

“*Audit*

6. (1) *The Oireachtas Commission may provide for the audit of an amount or amounts in respect of a relevant period paid, under paragraph (1)(a), (2)(a) or (3)(a) of Regulation 5, to not less than 10 per cent of members selected on a random basis.*

(2) *Any member of the Oireachtas who is paid an amount specified in paragraph (1) shall retain for a period of 5 years the evidence of the expenses incurred including any vouchers, receipts or bills, and shall make the evidence available, for inspection only, to any auditor appointed by the Oireachtas Commission for the purpose of audit.*

(3) *In any case where, following an audit under this Regulation, the appropriate authority is satisfied that a member of the Oireachtas has incurred expenses within the relevant period that is less than the amount paid to him or her under Regulation 5, the member shall repay, within 2 months of being notified of such overpayment, the amount not so incurred.*

(4) *Any amount due to be repaid in accordance with paragraph (3) and not so repaid, may be deducted from any other moneys due to be paid to the member.”*

2. At a meeting of the Commission on 3 November 2010, the following was agreed in relation to the audit of Members Allowances:

"Members Allowances

Following a further update on the implementation of the new system for Members' Allowances, the Commission:

(a) in relation to audit of Members' expenses:

(i) noted that Regulation 6 of SI 84/10 provides for a random annual audit of Members' expenses of not less than 10% of those Members in receipt of amounts in excess of the unvouched public representation allowance;

(ii) noted that a request for tender for the services of a professional auditor to undertake the audit is to issue shortly;

(iii) noted draft guidelines to assist Members to determine allowable expenses under the SI and approved their submission to the Minister for Finance who is the regulatory authority as regards interpretation of the legislation [07-06-10, 07-06a-10].”

Overall Approach to the PRA

The annual audit is one part of an overall layered process of ongoing engagement with all Members on PRA matters.

Audit Company

Mazars have been the successful candidate in the three public tenders held since this system of Members' expenses was introduced in 2010. There is one optional year remaining on the Mazars' contract.

Random Selection

Members are chosen for audit by the independent auditor. A random sample of Members is chosen using a software tool.

Briefing Sessions

After selection, Members are invited by the independent auditor to attend a briefing session on the upcoming audit process. They are informed of the requirements and given a date on which to submit their documentation. This briefing session came into being following feedback from Members. They highlighted issues relating to the audit process and discussions were had with the auditor. A note of these discussions from January 2014 is included at Appendix A.

One Stop Shop Engagement

Further to the briefing session, Members' Services enhances and clarifies all guidelines and documentation regularly. The revisions stem from feedback received from Members through the One Stop Shop, queries that may highlight particular issues of interpretation and, most importantly, from the recommendations of the independent auditor arising from the annual audit.

A pro-active approach to issues relating to the PRA and audit issues is a core function of Members' Services. Staff of the One Stop Shop are available to Members at all times to assist in clarifications on requirements. Seminars are conducted by the One Stop Shop on all aspects of the expenses and allowances systems and "one to one" meetings can also be arranged. At all times, Members are reminded of their obligations to retain documentation which must be submitted should they be chosen for audit.

Feedback received from Members on the Independent Audit Process

Feedback from Members on their experience of the independent audit process is essential in seeking to improve the process and in responding to the issues raised. Most feedback received is informal (via queries or observations given to the One Stop Shop). Members are, however, requested to submit formal feedback to Members' Services upon completion of the audit process.

Members' Services contacted those Members who were recently audited to obtain feedback on the audit process. Five Members provided feedback in response to the request. (Members had not provided feedback to Members' Services prior to this request.)

In general the feedback from Members revealed that:

- In advance of being selected for audit, Members were aware of the independent audit process, through the One Stop Shop, its documentation and through word of mouth
- Members are "generally familiar" with the requirements of the audit prior to being selected

Of the five members who provided feedback:

- two Members attended the seminar by the auditor and one Member sent a staff member to attend on their behalf. These members found the seminar useful.
- two did not attend the seminar by the auditor (one had been audited twice previously)
- all Members had contact with the auditor during the process in relation to queries from him and from themselves. The auditor was available to answer such queries

- three Members stated that their greatest difficulty was the production of documentary evidence for the audit, notably in relation to advertising
- one Member highlighted a difficulty in gaps between their interpretation and the auditor's opinion in relation to certain expenditure
- one Member highlighted a difficulty in receiving responses from their service providers
- three Members found the process straightforward, although one noting that this was their third time being audited
- two Members described the audit as onerous* and stressful/difficult

*this relates to the workload associated with preparing documentation with a small number of staff.

Guidelines

As mentioned previously, the guidelines have been extensively enhanced over the last 6 years. Prior to the guidelines being circulated to Members, they are approved by the Management Committee and the Commission. The Commission has in the past requested clarifications on proposed changes and offered recommendations of its own which, if agreed, have been included in the revised guidelines.

Audit Report

The Report of the Audit of PRA paid in 2015 has recently been received. The independent auditor will attend the Audit Committee meeting at which the report is presented, along with senior management from the Members' and International Services area. The timeline on presentation of the report and proposed revised guidelines is as follows:

- 8 March, 2017 - Audit Report to MAC.
- 22 March, 2017 - Audit Report to Audit Committee (the report will then be published on the website).
- 28 March, 2017 - Revised PRA Guidelines to Commission

Post approval by the Commission, the finalised guidelines will be circulated to all Members as soon as possible thereafter.

Independence of Auditor

It is extremely important that any audit carried out in-house would be fully independent and seen to be so. The independent nature of the audit is essential in maintaining maximum transparency. As the Mazars independent auditor has stated in the past, the audit process itself must be thorough, robust and rigorous. The Mazars independent auditor has been involved in the audit process since its inception in 2011. He brings a huge level of knowledge and nuanced understanding of the issues that Members encounter. He has used this knowledge to

ensure that the audit process is as straightforward as possible, but at all times maintaining the requirements of that process. The process is thorough but necessarily so.

Conclusion

From the Members' perspective, a good understanding of what is allowable under the PRA and maintaining the required documentation will ensure that, if audited, the process should not prove onerous.

Members' and International Services,
27 February, 2017

Appendix

Following the meeting of the Houses Commission on 21 January, 2014, a meeting was had with Bernard Barron, Senior Partner in Mazars and the issues raised at the meeting were discussed with him.

In response to specific queries the auditor had the following responses:

- All calls from members in relation to Audits are dealt with by him personally and that no log of calls is kept although a note of every conversation is kept. Calls are from members being audited for the most part.
- In response to a query asking if information packs were given to members selected prior to audit, a letter goes to each selected member, explaining the requirements (papers, records etc.). An explanatory memo in relation to the audit process is provided for all those selected and a summary of the documentation required is given – the need for vouched documentation is reiterated.
- He explained that the audit is a process that must be completed in a robust manner but he appreciated that it was difficult for some members and stated as follows
 - That statutory requirements and stipulations are adhered to in full – in relation to categories, requirements, etc.
 - That any audit process requires certain steps and, if it is to be conducted properly, must be rigorous. He is of the view that their audit is no more or less robust than any other auditing process. The Auditor has a lot of knowledge of other public service bodies and their requirements. The company also carries out audits for the C&AG and is aware of issues within public sector bodies.
 - That there is generally a ‘low knowledge base’ of requirements within the members – they only feel the need to get the knowledge when selected for audit (this is borne out by experience of OSS and Members’ Services).

- That there must be a line drawn in the process so it is completed correctly – which is why the Auditors must pursue calls when they are not responded to. When calls are made to members during the audit they are followed up weekly.
- Guidance etc. come from OSS not the auditors – the auditor needs to keep it at arm's length.

Finally, the auditor appreciated the anxiety and upset that members feel when being audited but that it is a process that must be gone through. However, he is keen to improve the process but within normal audit requirements.

HOUSES OF THE OIREACHTAS COMMISSION

MEETING TUESDAY 4 APRIL 2017

2017 PRA GUIDELINES

Commission decisions required:

The Commission is requested to—

- (1) Note the proposed changes to the previous PRA Guidelines;
- (2) Approve the circulation of updated PRA Guidelines to Members,
- (3) Approve the extension of the independent auditor's contract for one year,
- (4) Approve the relevant period of 2016 to be audited.

Proposal

That the Commission note and agree that it has been necessary to make limited amendments to the Audit Guidelines (which were approved by the Commission in December 2015) to provide further clarification on allowable expenses and documentation requirements for the Public Representation Allowance (PRA).

This is to ensure that the best possible information is available for Members in advance of the audit of the 2016 PRA which will be conducted in 2017. Additional changes, arising from issues identified by the independent external auditor, are also included. These changes have been included in the document circulated and are on pages 1, 4, 6, 9 and 21.

Background

The Auditor's Report on PRA payments to Members in 2017 was considered at the Audit Committee meeting on 22 March 2017. This report made a number of zero cost recommendations relating to the expenses system. These are as follows:

To extend the date by which payments for expenses in the period to be audited must be made from one month to two months;

To state that the €100 unvouched expenditure amount is applicable to Ministers and Ministers of State;

To require Members to supply, where applicable, a rental agreement for constituency offices;
To state that employer's liability insurance is an allowable expense;
To state that mobile phone data costs are allowable;
To state that the cost of transporting newsletters from a printer to a distributor is allowable;
To state that the cost of erecting posters is allowable.

Substantive changes

This arises from discussions and feedback received from Members, staff and the external auditor:

- **Home telephone** –Members have requested that the proportion of home telephone bills allowable under the PRA be increased from its current level of 10%. It is proposed that the amount be increased to 20%.

Extension of Audit Contract

Currently, the independent audit is carried out by Mazars. The current contract covered the period of one year (audit carried out in 2016) with the option of extending for one further year. It is proposed that the Commission approve the extension for the further year.

Substantive changes

It is proposed that the period to be audited for 2016 be from the election of each House.

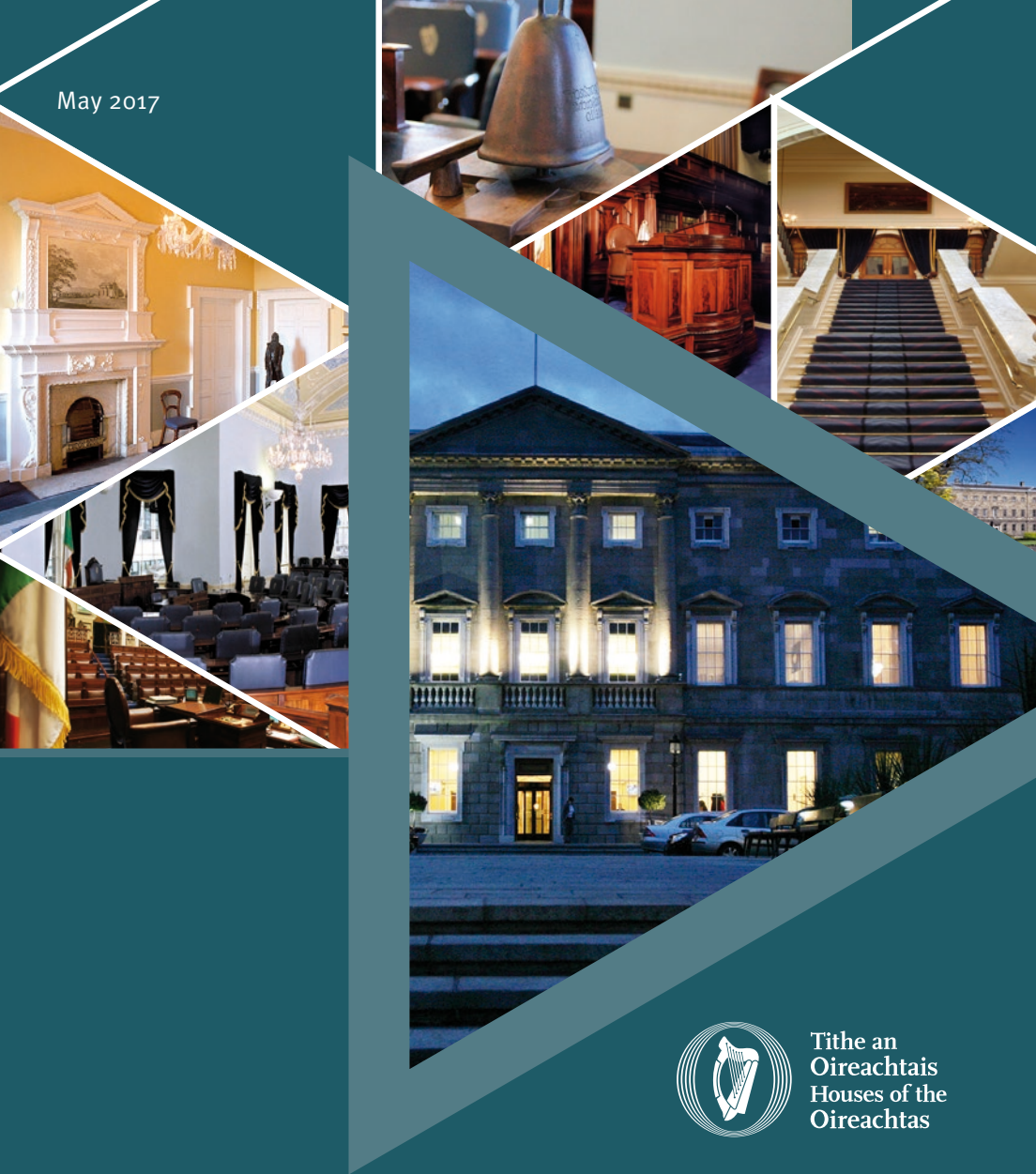
Decisions Sought

That the Commission:

- (i) note the proposed changes to the 2015 PRA Guidelines;
- (ii) approve the circulation of the updated Guidelines to Members;
- (iii) approve the extension of the independent auditor's contract for one year;
- (iv) approve the relevant period of 2016 to be audited

Members' Services
27 March 2017

May 2017



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Oireachtas

Public Representation Allowance Guidelines on Use of the PRA

(S.I. No. 84 of 2010, S.I. No. 37 of 2012 and S.I. No. 149 of 2013)



The Public Representation Allowance (PRA)

*These guidelines are published to assist Members in ensuring their expenditure meets the criteria as intended by the regulations. **These guidelines do not purport to be a legal interpretation of the regulations.***

Expenditure which may be claimed by a Member must be **wholly and exclusively incurred in the performance of his or her duties as a Member** and should not include any personal element of expenditure. The expenses **must** fall within one of the categories as set out in SI 84/2010 and SI 37/2012.

The categories specified in these SIs are broad in nature and it should largely be a matter for judgement of individual Members as to whether items of expenditure incurred fall legitimately within one of the categories. It should be noted that the exercise of judgement relates to deciding whether an item falls within an eligible category of expenditure. It **does not** relate to a reinterpretation of the categories of expenditure.

We advise Members that best practice would be to use an audit form to keep account of all invoices, bills and proofs of payment. **It is recommended that a separate audit form be used for each category of expenditure.** A copy of this form is available from the One Stop Shop.

Issues arising in relation to the interpretation of these guidelines are ultimately a matter for the statutory authority who, in this instance, is the Minister for Public Expenditure and Reform. Where a Member has a doubt about the type of expense he or she has incurred or is considering incurring and he/she wishes to receive clarification on the matter, the Member should first examine these guidelines and secondly, if still in doubt, write to or email the One Stop Shop [OSS] at oss2000@oireachtas.ie. Where necessary the OSS will seek guidance from the statutory authority.

Members are advised that the advice in this document is subject to change. Should this occur, a revised document will be circulated to all as soon as possible.

Recommended Best Practice

- Relevant period for TDs is 26 February 2016 to 31 December 2016
- Relevant period for Senators is 25 April 2016 (or 27 May 2016 for nominated Senators) to 31 December 2016
- Only original documents will be accepted
- All invoices/bills in Member's name only
- Categories of expenditure must be clearly indicated
- Separate audit form to be used for each category
- Satisfactory proof of payment must be submitted
- Regular maintenance of expenditure records
- Following selection for audit, retain a copy of documents submitted for reference.



Audit 2016

Who is eligible for selection for audit?

All Members in receipt of the PRA are eligible for selection for audit.

Ten per cent of Members will be selected by the independent auditor. This selection is random and will be witnessed by a member of the Houses of the Oireachtas Service staff. Members will be contacted by the auditor directly in relation to the audit.

What is the relevant time period for expenses and payments?

The relevant period for 2016 is **26 February 2016 to 31st December 2016 for TDs and, for Senators, 25 April 2016 (or 27 May 2016 for nominated Senators) to 31 December 2016.**

All expenses must have been incurred within the relevant period.

Payments for expenses incurred in the period must be made within two months of the end of the period i.e. by 28th February 2017 for all Members. Automatic payments by direct debit for utility bills (such as ESB bills) may be made later than one month after the end of the period.

Payments for a service made in 2016 will not be allowed should that service be received in 2017. In such cases the date of receipt of the service will determine the year of account.

All annual expenses incurred in this period will be allowed on a pro-rata basis for the relevant period. For example, if the annual cost of web maintenance was paid by a TD as an annual fee in July 2016 for the year

1st July 2016 to 30th June 2017, only 50% of the annual fee is allowable in 2016. The balance of the 50% annual fee is an allowable expense for inclusion in 2017 PRA. **It is imperative that such bills and proof of payment are retained as the payment is allowable, once apportioned, over two periods.**

What documents are required?

Members must retain all original bills, invoices, receipts and vouchers for expenses they have incurred for a period of five years. The invoices should state the specific details of the type of goods or service purchased. Members must retain all supporting documentation to determine proof of purchase or receipt of the service for the purposes set out in the regulation. Proof of payment should clearly confirm that the payment was made by the Member i.e. a document to indicate the payment was received and processed by the service provider. Cheque stubs alone are not acceptable as a proof of payment.

The list of allowable expenses under each category includes guidance on the documentation to validate each item of expense. Sufficient alternative documentary evidence must be provided to demonstrate, beyond reasonable doubt, that the product or service was supplied to the Member. Documentary evidence could include a bank/credit card statement with the payment of the invoice clearly indicated. Invoices must include the supplier's details and be on supplier headed paper.

For how long must documentation be retained?

All documentation for the vouched allowance must be retained by the Member for five years even if they are audited during that period. The Auditor will review the original records but will not hold copies of any

such records. All audit records will be returned to the Member following completion of the audit.

Certification of Expenditure

Within one month of the end of a relevant period, ie 31 December 2016, Members are required to certify the total amount expended in respect of expenses incurred in the performance of his/her duties as a Member and that the amounts were applied appropriately.

On or before 28th February 2017, the Member must repay the difference between the amount received and the expenditure incurred if he or she has incurred less expenditure than the amount paid to him/her. This repayment must be made in full on or before 28th February 2017.

Requests for Additional Amounts

On or before 28th February 2017, Members may apply for an additional amount of expenses, subject to the overall maximum, where they have incurred an amount greater than was paid to them.

Refunds following the Audit

Following an audit, where the appropriate authority i.e. the Secretary General, is satisfied that a Member incurred less expenses than the amount paid to him/her, the Member shall repay this amount within two months of being notified of the decision of the Auditor of such overpayments. **This payment must be made in full and in one payment within the two month period.**

Any amounts due and not repaid will be deducted from any other moneys due to be paid to the Member.

Frequently Asked Questions

Q: What back up documentation for expenses is required?

A: Members must retain all bills, invoices, receipts and vouchers for expenses they have incurred for a period of five years. The invoices should state the specific details of the type of goods or service purchased. Members must retain all supporting documentation to determine proof of purchase or receipt of the service for the purposes set out in the regulation. Proof of payment should confirm that the payment was made by the Member i.e. a document to indicate the payment was received and processed by the service provider. **All invoices must be in the Member's own name.**

Q: I am publishing an advertisement. What is allowable?

A: Under the terms of SI 84/10 members are entitled to claim the cost of advertising relating to the performance of his/her duties as a Member.

The main purpose of the advertisement should be to indicate the Member's name, contact details, addresses, clinic times, the title of the meeting, the venue, time and the date. Only the advertising costs are allowable. Electoral advertising, either for public office or a referendum is not allowable. Category 13 indicates the requirements relating to advertising. **Members must retain a copy of the publication in which the advert appears for verification. Members must submit a copy of the publication in which an advertisement appears (eg a charity**

programme) as part of their documentation. If your advert is part of a digital presentation (eg PowerPoint presentation), a copy of the presentation should be obtained.

Members may also advertise on social media. Invoices from Facebook, etc. and proof of payment are required, as with all other expenditure. The dates on which a Member's page was promoted must be clearly indicated on the invoice. The same rules for electoral advertising apply to social media advertising as with other forms of advertising (i.e. not allowable).

Q: Are expenses for catering and refreshments for my office allowable?

A: No, such expenses are not allowable.

Q: Can I claim for temporary secretarial assistance?

A: Yes, provided that it complies with guidance per Category 15 expenditure.

Q: Are petty cash expenses allowable?

A: Yes, petty cash expenses are allowable. A monthly allowance of €100 applies to TDs, Ministers and Ministers of State, and €75 to Senators. **This is an unvouched amount.** This is **not** an additional amount on top of the maximum payable.



Q: What computer facilities may I buy?

A: Computer facilities that may be purchased under the PRA include tablets, computers and laptops. Please see Category 5 for further details. Category 5 does not apply to Senators.

Also, web hosting website design and other costs related to web hosting and design are allowable under Category 10.

Q. May I pay for my secretarial staff to receive training?

A: Yes. Under Category 15 such training is allowable, provided it relates to your parliamentary duties.

Q: May I hire someone to assist in preparing my PRA returns?

A: Yes. This is allowable under Category 15 by hiring a person under a contract of service.

Q: Do I pay commercial rates on my constituency office?

A: Under the Valuation Act 2001, constituency offices are exempt from commercial rates. Members must apply to their local county or town council for this exemption. Until the exemption is obtained, commercial rates will apply.

Q: Can I buy a mobile phone under the PRA?

A: A scheme already exists that caters for the purchase of mobile phones. It is called the Direct Purchase Scheme (DPS). Members must use this scheme for the purchase of their phone. Details of the scheme can be obtained from the One Stop Shop.

Q: What proportion of home telephone costs are allowable under the PRA?

A: Category 9 allows a portion of telephone calls made from a Member's home to be apportioned as allowable expenditure under the PRA. This amount is 20%.

In order to reflect the services and packages offered by telecommunication companies, the 20% is now allowable against the **cost of calls, line rental and internet connection only** (provided that the internet connection is not that already paid by the ICT Unit). For home utility bills/packages that also include a television subscription, that portion of the bill relating to the television subscription is not allowable.

This does not apply to Ministers or Ministers of State.

What expenses are allowable?

The following pages provide a non-exhaustive list of allowable expenses and has been prepared to assist Members to apply their funds to the expenses which are allowable and as an aid to retaining and presenting the correct documentation for audit. An Audit Form can be used to complete records and insert pro rata amounts for each category of expense. Members are advised to keep a Schedule of all payments made for their records.

Please note that the principle of apportionment of expenses applies to all office expenses e.g. rent, rates, mortgage interest, utilities, etc. and to other expenses paid annually e.g. web hosting charges. Apportionment means that, where part of a payment relates to an expense under the PRA and part does not, the eligible expense is the part of the payment to which the PRA relates.

TDs Items 1 – 15

Ministers and Ministers of State excludes item 9 [Telephone expenses]

Senators list Items 9 to 15

Expenditure Categories (as set out in SI 84/10 and 37/12)		
	Allowable	Documentation
<p>1: Rent, rates and other such charges in relation to an office or offices</p> <p>(Not Applicable to Senators)</p>	<p><i>Guidance on the rent, rates and other such charges in relation to an office or offices is set out in Appendix A</i></p> <p>In summary rent rates and other such charges is allowable on:</p> <ul style="list-style-type: none"> ■ An office premises that complies with the definition ■ The costs relating to the declared premises, apportioned as appropriate ■ The cost of the mortgage interest on the premises (no tax deduction can be claimed) ■ The cost of rent paid on non-owner occupied premises used as a constituency office ■ Proof that a cost was incurred for such premises ■ Rental relating to the storage space for a mobile office 	<p>Declaration form completed to provide</p> <ul style="list-style-type: none"> ■ Address of the constituency office(s) premises ■ A statement of mortgage interest that was incurred for the stated premises apportioned for the relevant period from the lending agency ■ A statement of the rent that was incurred for the stated premises apportioned for the relevant period from the rental company/owner to include applicable tax numbers ■ Proof of payment of the amount applicable for the relevant period ■ Rental agreement(s), where applicable, for the office(s)

Expenditure

Categories

(as set out in SI

84/10 and 37/12)

84/10 and 37/12)	Allowable	Documentation
<p>2: Utilities of an office or offices</p> <p>(Not Applicable to Senators)</p>	<p>Cost of bills/invoices apportioned to include only costs of utilities or office services for the premises declared in the relevant periods.</p> <p>Allowable items may include:</p> <ul style="list-style-type: none"> ■ Electricity bills ■ Gas bills ■ Oil or other fuel purchases for the office ■ Rates ■ Refuse charges ■ Water charges ■ Alarm monitoring ■ Security costs (e.g. CCTV installation) ■ Language service such as translation, interpretation, disability [such as Braille] ■ Bulk scanning services ■ Bulk or confidential shredding 	<ul style="list-style-type: none"> ■ The bills/invoices with the address of the premises, date and amounts to be paid ■ A statement of the costs of bills/invoices that were apportioned by including only costs incurred in the relevant period for the premises declared ■ Direct debit payments of utility bills made after 28th February 2016 are allowable for the pro rata amount due for the relevant period ■ Proof of payment of the bill/invoice for the relevant period
	<p>Not Allowable</p>	
	<ul style="list-style-type: none"> ■ Sundry items of refreshments which includes catering, tea, coffee, biscuits, newspapers, water ■ Bank charges/interest 	

Expenditure Categories

(as set out in SI

84/10 and 37/12)

	Allowable	Documentation
3: Improvements to office accommodation (Not Applicable to Senators)	<p>Office improvements include any enhancements to the office/offices and may include:</p> <ul style="list-style-type: none"> ■ Upgrading works ■ Refurbishment, repairs and maintenance ■ Painting and decorating ■ Health and safety requirement works ■ Telephone system improvements <p>Not allowable</p> <ul style="list-style-type: none"> ■ Expenses that have been listed as paid under the Constituency Office Establishment Grant in the relevant period. 	<ul style="list-style-type: none"> ■ Exclude receipts that were listed in an application for the Constituency Office Establishment Grant, where applicable ■ The bills/invoices with the address of the premises where improvements were carried out, date and amounts to be paid ■ Proof of payment of the bill/invoice for the relevant period

Expenditure**Categories**

(as set out in SI

84/10 and 37/12)

84/10 and 37/12)	Allowable	Documentation
4: Signage in respect of the constituency office (Not Applicable to Senators)	<ul style="list-style-type: none"> ■ The signage on any constituency office ■ Signage on a mobile office, or vehicle (vehicle wrapping) of the Member ■ Vehicle sign writing, graphics or car wrap signs for a Member's car that comply with the SIPO guidelines (cannot explicitly promote a person's candidacy, party's interests or which solicits votes for an election) 	<ul style="list-style-type: none"> ■ The bills/invoices with the address of the premises or vehicle registration, details of the signage, date and amounts to be paid. A photograph of the sign should also be kept for examination. ■ Proof of payment of the bill/invoice for the relevant period
5: Purchase or maintenance of office furniture or equipment (Not Applicable to Senators)	<ul style="list-style-type: none"> ■ Office furniture and equipment of the Member ■ Equipment can include cost of purchase, rental and maintenance of any office equipment including tablet PCs [such as iPads] and IT equipment [such as laptops] ■ Office equipment normally required for the running of an office ■ Charges levied by the Houses of the Oireachtas Service ICT section for IT connection or support (see circular from the ICT unit on the costs of maintenance of additional computers) 	<ul style="list-style-type: none"> ■ The bills/invoices should specify the details of the purchase of the furniture and equipment that will indicate it is for office use, date and amounts to be paid ■ Proof of payment of the bill/invoice for the relevant period

Expenditure

Categories

(as set out in SI

84/10 and 37/12)

6: Purchase of stationery**(Not Applicable to Senators)**

Allowable

- Stationery that is **not** provided by the Houses of the Oireachtas Service required for the performance of his or her duties as a Member

Documentation

- The bills/invoices should specify the details of the purchase of the stationery that will indicate it is for office use, date and amounts to be paid.
- Proof of payment of the bill/invoice for the relevant period
- A sample of stationery should also be retained for examination

Expenditure**Categories**

(as set out in SI

84/10 and 37/12)

SI 84/10 and 37/12)	Allowable	Documentation
7: Insurance including for office accommodation or equipment and public liability insurance	<ul style="list-style-type: none"> ■ Insurance of the office accommodation and contents, equipment, public liability insurance, employer's liability insurance and other insurances related to a Member's parliamentary duties 	<p>Insurance apportioned for office, office equipment for the relevant period can include:</p> <ul style="list-style-type: none"> ■ A copy of the certificate of insurance with the purpose, date and payment to be made ■ Insurance documentation for public liability, office accommodation and contents should specify the address of premises and the amount apportioned for the declared area ■ Insurance for equipment should specify the insurance policy number and purpose of insurance ■ Proof of payment of certificate of insurance for the relevant period
(Not Applicable to Senators)		

Expenditure

Categories

(as set out in SI

84/10 and 37/12)

8: Cleaning of office accommodation

(Not Applicable to Senators)

Allowable

- Cleaning of office premises declared by the Member in the performance of his or her duties as a Member

Documentation

- The bill/invoices for the services including name of Member, date of service, address of the premises where the service was provided and amount to be paid
- The bill/invoices for the cleaning materials (itemised) where the service was not under contract (e.g. cleaning products, hand soap, kitchen paper, etc)
- A statement of all services and proof of payment signed by the contractor (if a long-term contract exists)
- The contractors PPS (Personal Public Service) number, charitable status number or companies registration office number.
- Proof of payment of the bill/invoice for the relevant period

**Expenditure
Categories
(as set out in SI
84/10 and 37/12)**

**9: Telephone
calls, otherwise
than from
Leinster House

(Not Applicable
to Ministers and
Ministers of
State)**

Allowable

OFFICE

- Members are not restricted in the number of office/mobile telephone lines listed for the allowance where the Member is the assigned bill holder/payer
- The cost of **line rental, telephone calls and mobile data** made by the Member or their staff (on behalf of the Member) in the performance of his or her duties as a Member
- SMS text messaging service

HOME

- Home telephone to a maximum of 20% of the combined call, rental and internet connection costs

Documentation

- List of office/mobile telephone numbers assigned for the performance of the Members duties for the relevant period
- The telephone bills that identify the assigned numbers for the performance of the Member's duties for the relevant period
- Home telephone bills to identify that a maximum of 20% of the combined call, rental and internet connection costs are included.
- Invoices from the ICT Unit for additional telephone services
- Proof of payment of the bill/invoice for the relevant period

Expenditure**Categories**

(as set out in SI

84/10 and 37/12)

	Allowable	Documentation
10: Web hosting and other related computer costs (Applicable to all Members)	<ul style="list-style-type: none"> ■ Invoices for web hosting, web design and other related computer costs to web hosting and design ■ Invoices for any amounts charged by the ICT section of the Service may be included pro rata for the period <p>Not allowable</p> <ul style="list-style-type: none"> ■ The purchase of computer equipment (laptops, iPads etc) is not allowable under this category (provided under office equipment category for TDs and Ministers only – See Category 5) 	<ul style="list-style-type: none"> ■ The bill/invoice with the date and amount of the service/product must specify the details of the purchase that will indicate it is for office use ■ Proof of payment of the bill/invoice for the relevant period
11: Hiring rooms for clinics or other meetings (Applicable to all TDs and Ministers for clinics and for Senators for other meetings only)	<ul style="list-style-type: none"> ■ The hire cost of rooms in any location or premises for the purpose of clinics or meetings for TDs. ■ The hire cost of rooms in any location or premises for the purpose of meetings only for Senators. 	<ul style="list-style-type: none"> ■ The bill/invoice for the services including name, address and date of each event ■ List of events to indicate that the purpose of room hire was for his/her duties as a Member ■ Proof of payment of the bill/invoice for the relevant period

Expenditure**Categories**

(as set out in SI

84/10 and 37/12)

Allowable**Documentation****12: Leaflet and newsletter distribution****(Applicable to all Members)**

- Distribution but not printing of leaflets and newsletters for the performance of his/her duties as a Member (sample must be attached to each invoice)
- Costs involved in transporting newsletters from a printer to a distributor (eg use of a courier) are allowable

Not allowable

- Electoral expenses for election to political office or referenda are not allowable

- The bill/invoice for the services including name, address and date of each publication or distribution
- Samples to indicate that the content was for the performance of his/her duties as a Member attached to each invoice
- PPS number of the service provider, charitable status number or companies registration office number where applicable
- Proof of payment of the bill/invoice for the relevant period

Expenditure

Categories

(as set out in SI

84/10 and 37/12)

Allowable

Documentation

13: Advertising relating to the performance of his or her duties as a Member

(Applicable to all Members)

Advertising to publicise work as a Member or to publicise meeting/ clinic times, dates, venues

- Advertising costs only (excluding graphic design or photography)
- All forms of media can be used including newspapers, newsletters, radio, television, web advertising, bus shelters, window space and social media (**excluding sponsorship, eg a golf tee**)
- Content is limited to the Member's name, contact details, addresses, clinic times (TD's only) or the title of the meeting, the venue, time and the date
- Only printing for the advertisement which cannot be facilitated by the Print Room is allowable e.g. poster for a bus shelter advert
- Costs involved with the erection of posters

- Copies of the advertisement and the publication in which it appears to indicate that the content was for the performance of his/her duties as a Member and the advertisement was not sponsorship. If the advert is part of a digital presentation, a copy of the presentation should be obtained.
- Invoices for services including name, address, PPS number, companies registration office number, charitable status number, where applicable
- Proof of payment of the bill/ invoice for the relevant period
- In the case of social media advertising, the dates on which the promotion occurred must be indicated on the invoice

Expenditure**Categories**

(as set out in SI

84/10 and 37/12)

SI 84/10 and 37/12)	Allowable	Documentation
14: Attendance at conferences relating to the performance of his or her duties as a Member (Applicable to all Members)	<p>Allowable</p> <ul style="list-style-type: none"> ■ Events that relate to the duties of a Member ■ Accommodation and convention fee only with an appropriate deduction for meals which are part of the fee <p>Not Allowable</p> <ul style="list-style-type: none"> ■ Conference accommodation costs may not be claimed by Members in bands 1 to 12 where attendance at Leinster House has been recorded for that day ■ Excludes meals, travel expenses or costs paid or recouped from other sources 	<ul style="list-style-type: none"> ■ The invitation or notification of the event including the details and date of the event ■ Statement/Receipt for the accommodation and/or convention fee only ■ The details should identify any amounts that are recouped from another source and exclude any travel expenses ■ Proof of payment of expenses incurred by the Member i.e. hotel receipts for accommodation

Expenditure Categories

(as set out in SI
84/10 and 37/12)

	Allowable	Documentation
15: Purchase of secretarial support, public relations, information technology (not internet related) and training services for staff under a contract of service (Applicable to all Members)	<p>Allowable</p> <ul style="list-style-type: none"> Advertising for the service required <p>Not Allowable</p> <ul style="list-style-type: none"> Services purchased from a person or persons referred to in Section 9 of SI No. 2 of 2013 (i.e. persons on the Oireachtas payroll) The purchase of computer equipment (laptops, iPads etc) is not allowable (provided under office equipment category for TDs and Ministers only – See Category 5) 	<ul style="list-style-type: none"> Invoices for the services provided including name, address, PPS number, companies registration office number, where applicable Proof of payment of expenses incurred by the Member

Members should note the following:

1. If the total of the expenses incurred exceed the vouched allowance a Member was paid in the relevant period, the **additional amount may not be brought forward** to the following year i.e. if a Member has used his expenses budget for the year and the invoice is due to be paid it cannot be carried over to the following year.
2. Expenses incurred during a dissolution period [i.e. from the time the Member ceases being a member until he or she signs the Roll of Members again] are not allowable expenses and will not be accepted.
3. Electoral expenses are not allowable and will not be accepted.

Forms and supporting information

Additional supporting information for records of expenses includes:

- Audit Record Form to record expenses and supporting documentation
- Declaration of Constituency Office form
- Sample invoice

Forms and further information may be obtained from the One Stop Shop or downloaded from the Members' Intranet on the Houses of the Oireachtas internal Intranet at <http://theplinth.oireachtas.local/members/>

Appendix A

Guidance on the rent, rates and other such charges in relation to an office or offices

Definitions Premises

An “office” is a room or rooms used exclusively for or during the relevant period for the transaction of business in the performance of his/her duties as a Member. Temporary use of a space adjacent to an office is not included. The principle of apportionment applies

Proof of payment of costs

Members must actually incur a cost (Proof is required). If no mortgage interest/rent is paid, it does not incur a cost and is therefore not allowable. No imputed costs will be allowed

Mortgage Interest

The cost of mortgage interest paid only (or relevant proportion thereof)

A Member may not claim a tax deduction in respect of, say, mortgage interest paid where claimed under the PRA

Rent

The cost of the rent paid in respect of non-owner occupied premises used as a constituency office is allowable

Clarification of general terms

Mortgage

In the context of the Public Representation Allowance, mortgage means a loan made available by an institution regulated by the Financial Regulator used for the purchase, repair, development or improvement of the property used as a constituency office. A 'mortgage' does not, in this context, include a loan secured on the constituency office where the proceeds of that loan were used for a purpose unrelated to the constituency office.

The cost of mortgage interest paid (or relevant proportion thereof) may be claimed as part of the Public Representation Allowance. The cost of capital repayments may not be claimed.

Apportionment

Where part of a building is used as a constituency office and part is not, the claim for mortgage interest, rates and other such charges under the Public Representation Allowance may relate only to the proportion applicable to the constituency office.

Cost incurred

The Member must actually incur a cost and such cost must be capable of being vouched or receipted. In other words, a Member cannot claim the Public Representation Allowance in respect of what may be regarded or described as notional or deemed amounts.

Tax Matters

The Public Representation Allowance is exempt from income tax under the provisions of Section 836 Taxes Consolidation Act 1997. That section also prohibits an individual from claiming a tax deduction in respect of any expenditure that is covered by the tax exemption. Therefore, a Member may not claim a tax deduction in respect of, say, mortgage interest paid that has been claimed as part of the Public Representation Allowance.

Allowable Expenses – Non-owner occupied premises

Rent

The cost of the rent paid in respect of non-owner occupied premises used as a Constituency office may be claimed as part of the Public Representation Allowance (subject, to the maximum of the overall allowance). The rental arrangements should be at ‘arm’s length’¹ with the rent payable not exceeding the general prevailing rent payable for such properties (see above as regards apportionment) and that the conditions are fair and reasonable. The payment by the Member must be capable of being vouched or receipted for audit purposes. Invoices and the receipt from the owner should include the address of the premises.

¹ The description of an agreement made by two parties freely and independently of each other to show that the price, requirements, and other conditions were fair and real.

Allowable Expenses – Owner occupied premises

Premises

An “office” is a room or rooms used exclusively for or during the relevant period for the transaction of business in the performance of his or her duties as a Member.

An office can include;

1. a Member’s office in the home
2. a Member’s office in a business
3. a Member’s office in a mobile vehicle – vehicle purchase costs, vehicle maintenance or insurance costs will not be allowable. Costs of insurance, office improvements, equipment etc are provided for under other headings.

No mortgage outstanding

Where a Member owns, or part owns, a property in respect of which no mortgage exists, no claim may be made under the Public Representation Allowance. In addition, a charge may not be imputed (see clarifications above).

Mortgaged properties

Where a Member holds a mortgage (qualifying as above) on a property used, or partly used, as a constituency office, only that part of the mortgage interest paid by the Member, as apportioned (see clarifications above) and subject to the maximum allowance that may be claimed under the Public Representation Allowance. There is no provision for including any nominal rent amount on an owner occupied premises.

Example 1

Where a Member has a mortgage on the property and that Member uses the whole property as a constituency office, then the cost of the full amount of the mortgage interest paid may be claimed as part of the Public Representation Allowance (subject, to the maximum allowance).

Example 2

Where a Member has a mortgage on the property and that Member uses 50% of property as a constituency office, then the 50% of the mortgage interest paid may be claimed as part of the Public Representation Allowance (subject to the maximum allowance).

Example 3

Where a Member owns a constituency office outright whether as part of his residence or otherwise and is not paying rent or a mortgage no claim may be made.

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