



The Scottish Parliament  
Pàrlamaid na h-Alba

# Members' expenses scheme – review of members' staff cost provision and support

30 April 2020

Reference: SPCB(2020)Paper 21

## Executive summary

1. The SPCB undertook a review of the Reimbursement of Members' Expenses Scheme (the Scheme) in 2019/20 to ensure it was fit for purpose in Session 6. A key recommendation from this work was to review the level of staff cost provision (SCP) provided by the Scheme to support Members in carrying out their role. Revisions would typically be implemented from the start of a Session.

## Background

2. The SPCB last reviewed the SCP in 2014-15 with a new increased SCP amount, the introduction of salary bands, high level job descriptions and job titles alongside frameworks of employment for each parliamentary group.
3. The review increased SCP with effect from May 2016 from £62.3k to £85k per Member which enabled them to employ the equivalent of 3 full time support staff. The cost of this was estimated at £2.7m in the 2016-17 budget submission and increased staffing by around the equivalent of 0.5FTE per Member. The increase was implemented to take account of the additional levels of work anticipated for Members resulting from the Scotland Act 2016. The current arrangements provide Members flexibility in a range of ways to suit their needs whilst maintaining equality within the Scheme for all Members.
4. The recent review of the Reimbursement of Members' Expenses Scheme highlighted feedback that some Members consider the SCP is insufficient to properly staff their offices to meet the changes in the levels of casework being brought forward. In addition, there was some feedback that the level of SCP was insufficient to offer attractive/competitive salaries in the market place.
5. Members also use SCP to contribute to parliamentary group party pools. Financial Assistance to Non Government Groups (Short Monies) is also available and used to employ staff for parliamentary purposes. Some Members have also established and contribute to mini pools to share staff and these use the standard staff banding and job descriptions.
6. By way of background, other legislatures have also reviewed staffing support in recent years. In a report in early March 2020 IPSA announced an increase of more than £25k per MP including £4k to fund training, health and welfare costs at a total estimated cost of £19.7m. The increase is in recognition of challenging casework

including constituents with mental health issues. It also followed a review conducted by Hays on pay and job descriptions on behalf of IPSA which suggested MPs staff were underpaid compared with equivalent workers in other sectors. The National Assembly for Wales also amended its Scheme following a review published in July 2019 with a range of recommendations that increased flexibility.

## Issues and Options

7. The Scottish Parliament determines the expenses of its Members in respect of costs associated with carrying out their parliamentary and representative role, including the provision for Members' staff costs.
8. The ways in which Members and their staff work have developed considerably over the last twenty years of devolution, especially in relation to representing their constituents. Devolution has been an ongoing process resulting in more powers to the Parliament and subsequently a wider range of constituency issues to be supported as well as additional subject matters for parliamentary legislation and scrutiny. Members' staff play a vital role in supporting Members both in their representative and parliamentary roles.

### **Progression vs pay ranges**

9. As part of the review in 2014-15 pay progression, a set of agreed pay scales for job roles, was recommended however parliamentary parties opted for pay ranges, which means Members have flexibility as to where they place a staff Member's salary within any given range. Members can determine cost of living and salary increases within the overall provision. In practice most Members increase staff salaries using the annual uprating mechanism for the Scheme though not designed for that purpose.
10. Progressive scales are considered good employment practice, enabling staff to clearly progress towards full competency in a role. They have several other identifying benefits such as more transparently ensuring equal pay for similar roles, more certainty for Members' staff and openness and transparency for all. However, pay ranges offer more flexibility for Members in relation to how they use SCP budget since progressive pay scales fix costs annually once staff are recruited to post. SPCB is invited to steer whether it wishes to include further research on progressive pay scales within this work.

### **Job roles and families**

11. Previously the SPCB had agreed to introduce job roles and families to ensure that the Scheme was compliant with employment law practice and to mitigate against equal pay claims. It is proposed that this approach is maintained. However, it is important that Members have flexibility within the SPCB Scheme to recruit to the type of posts they require. We would propose that the review takes the opportunity to sense check that the current roles and job families reflect broadly Members' employment requirements in practice over this Session. SPCB is invited to give any feedback on balancing the Scheme and MSP employer requirements to shape the review.

## Group Pools

12. Currently parliamentary group party pools are able to be funded from the staff cost provision annually. The National Assembly for Wales fund parliamentary group party pools via their Members' Expenses Scheme with their staff cost provision element then focussed solely on Members' support staff. This approach merits further investigation of whether a similar option would provide an appropriate level of support to both Members and parliamentary group pools through the Members' Expenses Scheme. SPCB is invited to confirm if they are content for the review to include investigation into the possible provision of support staff costs and incidental expenses for parliamentary group party pools.

## Remit

13. The SPCB is invited to agree the following remit for the review:

- The scope of the review will include identification of the new pressures on Members in terms of legislative powers and on constituency work and how this translates in the appropriate number and categories of support staff.
- Review of salary bands, high level job descriptions and job titles to ensure fit for purpose.
- Consideration of the merits/demerits of a funding mechanism for support staff costs and incidental expenses funding options for parliamentary group party pools.
- Consideration of how effectively HR support for Members on staffing matters (e.g. recruitment, training) is operating and bring forward any recommendations, if required, ahead of Session 6.
- Consideration of the merits/demerits of introducing pay progression within pay scales.

## Principles / outcomes

14. The review will comply with the Principles of the Scheme – Objectivity, Accountability, Openness, Integrity, Selflessness, Honesty and Leadership.

15. The review will aim to provide an outcome which is straightforward for Members to understand and use and is fit for purpose.

16. The Review will ensure that all options appraisals are supported by due diligence and costings.

## Methodology & timescale

17. It is proposed that the review of Members' staff cost provision will be undertaken as set out below:

- The review will be undertaken internally by officials. A small working group bringing together staff from various offices has already been established. It will report to the Deputy Chief Executive for its duration.

- The approach will involve a discovery phase where information on data available on workload will be sought and evaluated. This may involve analysing existing statistics and/or approaches to Members to further understand changes in their casework.
- For our benchmarking purposes, the review group will seek to utilise existing current wage data for example from other legislatures and recognised sources.
- This will be followed with a working out of Scheme options phase including Members' requirements, cost (including on costs), employment considerations.
- An interim report would be prepared for the SPCB planning day to help arrive at some in principle decisions before finalising recommendations.
- The report and paper will be scheduled for SPCB agreement in Autumn 2020 in order to enable any budgetary implications to be agreed for the SPCB budget bid for the first year of Session 6.

## Resource Implications

18. The costs for undertaking the review will be met from existing office budgets and the project team to support from existing staff resources across a number of offices including Allowances, SPICe, HR and Finance.
19. The budget bid process for the first year of session 6 will need to reflect any recommendations arising from this review and wider costs for other SPCB support budgets.
20. The SPCB has already agreed the uprating mechanism for Staff Cost Provision for 2020/21 onwards. Other uprating mechanisms for other aspects of the Scheme will be considered as part of the usual budgeting round.

## Governance Issues

21. Any changes to the Scheme require a resolution of the Parliament.

## Publication Scheme

22. This paper can be published once the SPCB Review of the Reimbursement of Members' Expenses Scheme report is published.

## Next Steps

23. Subject to the SPCB's approval, officials will commence work on the review.

## Recommendation

24. The SPCB is invited to commission an internal review of the Staff Cost provision as set out in paragraphs 14 to 17 to enable, wherever possible, any agreed revisions to be effective from the start of the next session.

**Michelle Hegarty Deputy Chief Executive**