

ANTI-CORRUPTION HELPDESK

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OVERVIEW OF OVERSIGHT MECHANISMS OF PARLIAMENTARY BUDGETS IN EUROPE

QUERY

Can you provide an overview of oversight mechanisms of European parliamentary budgets, both in terms of control of the institutions' expenditures and those of individual MPs, as well as regulations regarding staffing and parliamentary assistants in Europe?

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Author(s)

Sofia Wickberg,
tihelpdesk@transparency.org

Reviewer(s)

Marie Chêne, Transparency International,
tihelpdesk@transparency.org

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SUMMARY

Parliaments are exposed to a wide variety of corruption risks, unethical conduct and abuse by their members, as reflected by recent scandals involving fictitious employment, misuse of allowances and expenses, embezzlement, conflicts of interest or fiscal fraud. In line with the principle of separation of powers, ethical regulation of parliaments is usually implemented through self-regulation or semi-external regulation, involving an independent commissioner working together with a parliamentary committee instead of being controlled by another body.

There is relatively limited literature available on transparency and oversight of parliamentary budgets, expenditures and members. Based on case studies from the UK, USA, Sweden, Finland, Norway, Germany and the European Parliament, this Helpdesk answer provides examples of how European parliaments regulate and control their budgets, and the budget and expenditure of individual MPs.

1 PRINCIPLES REGARDING THE OVERSIGHT OF PARLIAMENTARY BUDGETS, EXPENDITURE AND STAFFING

In recent years, a multiplication of scandals (such as fictitious employment, misuse of allowances and expenses, embezzlement, conflicts of interest and fiscal fraud) have touched parliaments and their members. These scandals have placed parliamentary transparency and the oversight of parliamentary finances and activities on national and international agendas, and made them a central element of public ethics (see, for instance, Assemblée Nationale 1988, 1993, 2012; House of Commons 1995).

As an emanation of the will of the citizens, parliaments ought not to be controlled by another public body, hence parliamentary immunity, for instance. Ethical regulation of parliaments is thus usually implemented through self-regulation or semi-external regulation, involving an independent commissioner working together with a parliamentary committee (Kaye 2003; GOPAC, no date). Because of the risk external control could have on democracy, disclosure has become increasingly recognised as an alternative regulation system, and transparency policies have been adopted by more and more parliaments.

Transparency and oversight are fundamentally linked with regards to the ethics regulation of parliaments. Transparency is necessary for citizens to exercise a legitimate oversight role directly or through civil society organisations or the media. Transparency is a necessary condition to hold the parliament and its members to account (Prasojo 2009).

The Declaration on Parliamentary Openness (2012:30) – a set of shared principles developed by civic organisations such as the Sunlight Foundation and the National Democratic Institute – states that “parliamentary information belongs to the public; citizens should be allowed to reuse and republish parliamentary information, in whole or in part”. Openness of the legislative process and administration allow citizens to take part in the policy-making process more effectively and gives them opportunities to influence legislative deliberations (OGP, no date).

Transparency of parliamentary budget and expenditures

Beyond broader budget transparency and disclosure of individual members' assets and interests, there is relatively limited literature available on transparency and the oversight of parliamentary budgets, and expenditures specifically.

The parliamentary budget is part of the national budget. The parliamentary budget usually covers the administration of the legislative chamber, comprised of staff and operational costs, costs related to physical building, taxes, travel costs and MPs' allowances.

With respect to the principles of the separation of powers and financial autonomy of the legislative branch of government, a parliament should establish its own budget that will then be integrated in the general budget to be discussed and approved by the parliament (GOPAC, no date). The drafting of the parliamentary budget can sometimes be overseen by individuals external to the institutions, such as magistrates, who take part in the discussion on a consultative basis, as is the case in France.

Parliamentary transparency and openness

The transparency and oversight rules that apply to the national budget also apply to the parliamentary budget. The 2015 OECD recommendations on budget governance (of which parliamentary budgets are a part) that relate to transparency and oversight are: 1) ensure that budget documents and data are open, transparent and accessible; 2) provide for an inclusive, participative and realistic debate on budgetary choices; 3) present a comprehensive, accurate and reliable account of the public finances; 4) actively plan, manage and monitor budget execution; 5) ensure that performance, evaluation and value for money are integral to the budget process; 6) promote the integrity and quality of budgetary forecasts, fiscal plans and budgetary implementation through rigorous quality assurance including independent auditing.

The complete list of recommendations is available [here on the OECD website](#).

No international standards could be found specifically regarding the parliamentary budget. The Declaration of Parliamentary Openness (2012) states that: “Parliament has a responsibility to make public

comprehensive, detailed, and easily understandable information about the national budget and public expenditures, including past, current, and projected revenues and expenditures. Similarly, parliament has a duty to publish information regarding the parliament's own budget, including information about its own budget execution and bids and contracts. This information shall be made public in its entirety, using a consistent taxonomy, along with plain language summaries, explanations or reports that help promote citizen understanding".

Real world examples (see case studies below) make it possible to argue that parliamentary budget and financial reports (including expenditures) should ideally be available online and accessible to the public in a machine-readable format. The USA is the only country examined here that provides regular information (every quarter) about the expenditures of the House of Representatives in machine-readable format.

Oversight and control of expenditures

The process of oversight of parliamentary budget and expenditure usually follows a two-step process, starting with an internal oversight by the bureau of the chamber or by a named committee.

Given the special place of parliament in democratic systems, financial scrutiny is often conducted internally first. Parliament should have internal mechanisms to monitor and oversee the execution of the budget and expenditures, and is often done by the chamber's administration or a designated group of MPs who work as internal auditors (as in Norway, for example).

Finally, the parliament's budget and its execution is usually verified and validated by the supreme audit institution together with the overall national budget. For more information on Supreme Audit Institutions, see previous Helpdesk answer on [good practice for structuring supreme audit institutions](#).

Transparency of political groups budget and expenditures

Virtually no information is available on international standards to regulate political groups within

parliaments, despite the fact that the existence of such groups is a common trait of most European parliaments. More research is needed to establish the common features of political group regulation in parliaments.

Political groups in parliaments usually receive financial support from the parliament to organise their work. In some of the cases examined in this paper, the parliament's administration disburses financial support earmarked as support to individual MPs to political groups instead of attributing it directly to individual MPs (Sweden and Norway). In other cases, the political groups are funded by the individual MPs through their own allowances, in addition to the support received from the parliament (as in France).

There seems to be only limited guidance from the parliament and its rules as to how these funds should be used, which is left to the discretion of the political groups¹. The guiding principle is that political groups should be given the freedom to organise political activities within parliament as best suits them².

Political groups are, however, usually required to provide a financial report to the parliamentary administration or to the bureau on an annual basis, listing the expenditures incurred and the use of the public funds received. The European Parliament requires that the budget and expenditures of each political group be audited and published, according to rules on the use of appropriations from budget item 400. The financial accounts of French political groups are also published online and made available on the chambers' websites.

Transparency of individual MPs' budget and expenditures

Transparency of individual MPs' budget and expenditures is an element of the broader ethics management applicable to MPs, together with asset and interest declaration regimes and codes of conduct explicating rules regarding gifts, travels and conflict of interest prevention. For more information on codes of conduct for MPs, see this Helpdesk answer on [the](#)

¹ Information provided upon request by an information officer of the Swedish Parliament (Riksdagen) on the 28 February 2017.

² Information provided upon request by an information officer of the Swedish Parliament (Riksdagen) on the 28 February 2017.

effectiveness of codes of conduct for parliamentarians.

MPs usually receive their remuneration through the parliament's budget, as well as various allowances, to fulfil their official parliamentary duties. These additional allowances usually cover office costs, travel costs, housing and commuting costs as well as personnel costs. In some cases (Norway and Germany, for instance), MPs are also allowed to receive private funds for certain activities, like refurbishing their office.

In most cases examined here, in addition to allowances received as a lump sum, certain costs, related to travel, for instance, are reimbursed by the parliament's administration or financial officer on presentation of receipts, which allows for a certain level of internal control.

Similarly, MPs need to declare certain expenses a priori and receive validation from the parliament's bureau, the committee of which he is a member or the ethics commission, especially with regard to travel abroad. In Sweden, MPs need to compile a report of their activities upon their return from a travel abroad in their official capacity.

It is not uncommon for MPs' offices to have to compile an annual financial report listing all the expenses incurred by the MP. In the USA, these reports are included in the overall financial report of the House of Representatives. In other cases, expenditures are made available upon request (in Norway, for instance).

The control of MPs' expenses is thus conducted internally first, by the bureau, committees, internal audit group or ethics commission. Transparency and access to information enable public and media scrutiny, which seems like the preferred control mechanism in some of our cases (Norway, Sweden and the USA). Lastly, MPs financial accounts, together with the parliament's financial accounts, can be subjected to control by the country's audit institution (European Parliament, Norway).

Recruitment and employment conditions of parliamentary assistants

From the cases considered, it appears that several elements should be examined with regards to

parliamentary assistants and personnel: 1) their status; 2) the source of remuneration; 3) their "official existence", meaning that they appear on the parliament's website; 4) the ethical rules that they ought to abide.

Status of parliamentary assistants

Firstly, their status varies both within countries and across countries. There are various forms of employment, including full-time employee, part-time employee, trainee and contractor. Parliamentary assistants can be located either in the capital city or in the MP's constituency. In 2008, the European Union decided to regularise the status of parliamentary assistants, granting them a status similar to that of European civil servants, thus clarifying the rules and limiting inequalities.

In certain countries, the tasks that parliamentary assistants can undertake are clearly outlined to avoid abuses and to make the role of MPs' staff comprehensible. These tasks are, for instance, listed on the Swedish Parliament's website.

MPs and political groups are free to recruit the assistants and personnel of their choice. However, many countries have rules forbidding the recruitment of a family member (Germany, for instance).

Remuneration of parliamentary assistants

In many of the cases below, parliamentary assistants are declared to the parliamentary administration, appear on the parliament's payroll and thus receive their remuneration directly from the administration. Most countries have a maximum amount that can be attributed as a salary to each assistant. In Finland and Sweden, parliamentary assistants' salary is fixed.

Disclosure of the identity of parliamentary assistants

It can be a requirement to disclose parliamentary assistants' names on the parliament's website. This is the case in the European Parliament, for instance.

Ethical standards applying to parliamentary assistants

Lastly, some countries have set out ethical standards to be followed by parliamentary assistants. As stated previously, it is common to find a ban on the recruitment of family members and life partners. The

European Parliament additionally signals that, much like MEPs, parliamentary assistants should not find themselves in a conflict of interest and are thus not allowed to engage in external activities that could present a risk in the duration of their contract. In the US House, parliamentary assistants have to declare their financial interests in the same way that the House members do.

2 COUNTRY EXAMPLES

European Parliament

The European Parliament (EP) has taken some important steps to further transparency and ethical administration within the institution. Detailed information about the EP's budget, the accounts of party groups and the financial and human resources of MEPs are available on the [website](#), together with information regarding parliamentary personnel, including parliamentary assistants.

Transparency of the parliamentary budget and expenditures

The EP budget represents 1.2 per cent of the European Union's budget, which amounts to €1.9 billion in 2017. Of that amount, 44 per cent of the budget is directed towards staff expenses (officials working for the parliament and for political groups); 22 per cent covers MEPs' expenses, including salaries, travel expenses, offices and personal assistants' pay. Expenditure related to the parliament's buildings accounts for 14 per cent of the 2017 budget (rent, construction, maintenance, security and running costs in the three main places of work – Brussels, Luxembourg and Strasbourg – and information offices in the 28 member states). Information policy and administrative expenditure, such as IT and telecommunications, accounts for 15 per cent in 2017. Political group activities will make up a further 6 per cent of the budget (European Parliament website).

Detailed information on resources and budget structure is available on the [European Parliament website](#). The budget document reports all budget lines, with the current budget and the previous' years appropriation and outturn. The budgetary overview is available in PDF format but not machine-readable format (CSV, JSON, XML, for example).

The estimated expenditures of the EP are published in annual reports prepared by the Committee on Budgets (see [here for 2017](#)), together with previous years' appropriation and outturn.

Actual expenditures of the parliament are integrated in the EU's overall financial report. General figures about the total amounts spent by the institutions figure in these reports, but there is no detailed information as to how the budget was executed (awaiting response from the institution).

Budgetary control

Budgetary control is a multi-level process, starting with the control from member states, followed by an internal audit within the institution and an external audit by the European Court of Auditors. The EP is in charge of the political control of the accounts. The parliament grants final approval of how the budget for a specific year is to be implemented. It deals in a similar manner with the approval of other institutions' accounts, including its own administrative budget (<http://www.europarl.europa.eu/aboutparliament/en/20150201PVL00005/Budgetary-powers>).

The EU is a special case in terms of budgetary control, given that it is an international organisation with member states that are the first window of control: "Initial control of revenue and expenditure is carried out to a large extent by national authorities. They have kept their powers, particularly on traditional own resources, an area for which they have the necessary procedures for collecting and verifying the amounts concerned" (http://www.europarl.europa.eu/atyourservice/en/displayFtu.html?ftuld=FTU_1.5.5.html).

Budget and political group expenditure

MEPs sit in political groups, of which there are currently eight. Some members do not belong to any political group and are known as non-attached members. Each political group is responsible of its own internal organisation by appointing a chair (or two co-chairs, in the case of some groups), a bureau and a secretariat.

The EP requires that the budget and expenditures of each political group be audited and published, according to [rules on the use of appropriations from budget item 400](#). These rules include the appropriate

provisions to ensure transparency of the transactions carried out, and shall include:

- a) procurement procedures
- b) an effective internal control system for management operations
- c) accounting arrangements for those operations plus procedures for the presentation of
- d) accounts with a view to ascertaining that Community funds are properly used and
- e) determining the real extent to which they are so used
- f) an independent external audit
- g) publishing of accounts

Budget and MEPs' expenditures

Information about MEPs' salary, pensions and allowances are available on the [EP's website](#).

MEPs, in general, receive the same salary under the single statute which came into effect in July 2009. The monthly pre-tax salary of MEPs under the single statute is €8,484.05 as of 1 July 2016. The salary comes from parliament's budget and is subject to EU tax and insurance contributions, after which the salary is €6,611.47. Member states may also subject the salary to national taxes. There are a few exceptions, such as MEPs who held a mandate in parliament before the 2009 elections could opt to keep the previous national system for salary, transitional allowance and pensions.

Under the statute, former members are entitled to a pension from the age of 63. The pension equals 3.5 per cent of the salary for each full year's exercise of a mandate but not more than 70 per cent in total. The cost of these pensions is met from the European Union budget. An additional pension scheme, introduced for MEPs in 1989, was closed to new members from July 2009 and is being phased out.

MEPs receive a number of allowances intended to cover the expenditure they incur in the performance of their parliamentary duties: 1) general expenditure allowance (€4,342 per month); 2) travel expenses (upon presentation of the supporting documents, MEPs are reimbursed the actual cost of their travel for attending plenary sessions, committee meetings and political group meetings up to a set maximum); 3) other travel expenses (up to a maximum annual amount of €4,264 for travel outside their country and

decided on a country-by-country basis for travels in the MEP's country); and 4) daily subsistence allowance (the EP pays a flat-rate allowance of €306 per day to cover all other expenses incurred by MEPs during parliamentary activity periods on condition that they prove their attendance – otherwise the allowance is halved).

Conditions of employment and ethical framework of the parliamentary assistants

In 2008, MEPs passed legislation to normalise the employment conditions of their Brussels-based assistants by developing a common set of rules. These rules aim to guarantee transparency and non-discrimination "by adding the contracts of MEPs' assistants to the wider EU civil servants' statute" (Euractiv 2008).

Members of the European Parliament are free to choose their own assistants within a budget set by parliament. In 2017, the maximum amount available is €24,164 per MEP. MEPs do not receive this money: it is paid out partly as a salary to assistants who fulfil the requirements and have a valid contract, and partly to the relevant income tax authorities. Total expenditure on local assistants and trainees may not exceed 75 per cent of the parliamentary assistance allowance and expenditure on service providers should not exceed 25 per cent of the allowance. Maximum amounts have also been set for legal persons providing services and for paying agents.

There are several categories of assistant:

- a) Accredited assistants working in Brussels, Luxembourg or Strasbourg are employed directly by parliament. MEPs may recruit three accredited assistants, or, in certain circumstances, four. At least 25 per cent of the parliamentary assistance allowance is earmarked for accredited assistants.
- b) Local assistants assist MEPs in the member state in which they were elected. The contracts for those assistants are managed by approved paying agents who guarantee compliance with social security and tax rules. Local assistants can have either an employment contract or a service provider contract (see [here](#) for more details).
- c) Traineeships may be offered either at parliament or in the member state in which the MEP concerned was elected.

MEPs may not employ close relatives as assistants. Their assistants must not engage in any external activities that might result in a conflict of interest. The names or corporate names of all assistants are published on the parliament's website for the duration of their contract unless they obtain a derogation on duly justified grounds of protection of their safety.

(Awaiting reply regarding the code of conduct that applies to MEPs' assistants).

USA

Transparency of the parliamentary budget and expenditures

The United States of America has a long history of parliamentary financial transparency. The Senate has published semi-annual reports of expenditures since 1823 that are published online since 2010 and the House has been required by law to publish its expenditures since 1964 and does so online since 2009 (GRECO 2017).

The statement of disbursements (SOD) is a quarterly public report of all receipts and expenditures for US House of Representatives members, committees, leadership, officers and offices. The House has been required by law to publish the SOD since 1964. The chief administrative officer of the House publishes the SOD within 60 days of the end of each calendar year quarter (January-March, April-June, July-September and October-December). Since 2009, the SOD has been published online to increase governmental transparency and accountability. The SODs are available in PDF and machine-readable format.

Transparency of the MPs' budget and expenditures

The budget for all members of Congress and committees of the Senate and House comes from public funds and is allocated using a set formula. For senators, the allocation varies by the size of the population of the state the senator represents. For House members, the allocation varies by distance between a House member's district and Washington, DC and the cost of office space in the House member's district. Federal law and House and Senate rules prohibit "unofficial office accounts", including private donations, in cash or in kind, in support of official Senate or House activities or expenses (GRECO 2017).

The legislative branch appropriations bill annually allocates the senators' official personnel and office expense account (SOPOEA). There are three components for each SOPOEA: an administrative and clerical assistance allowance, a legislative assistance allowance and an official office expenses allowance. The SOPOEA serves to assist senators in their official and representational duties and may not be used to defray any personal, political or campaign-related expenses (GRECO 2017).

SOPOEA expenditures are recorded in the report of the secretary of the Senate according to the following categories: 1) net payroll expenses; 2) travel and transportation of persons; 3) rent; 4) communications, and utilities; 5) printing and reproduction; 6) other contractual services; 7) supplies and materials; 8) acquisition of assets; 9) transportation of things (Brudnick 2016).

Senators need to provide information and seek approval from the Select Committee on Ethics for certain kinds of travel expenditures, especially if the travel costs are covered by a private entity or a foreign government (US Senate Select Committee on Ethics, no date).

House members have one consolidated allowance, the members' representational allowance (MRA), to operate their offices. House members have a high degree of flexibility to use the MRA to operate their offices in a way that supports their congressional duties and responsibilities, and individual office spending may be as varied as the districts House members represent (GRECO 2017).

All personnel, office and official mail expenses reimbursed to or on behalf of a member are reported in the quarterly statement of disbursements of the House (Brudnick 2012).

Conditions of employment and ethical framework of the parliamentary assistants

The MRA is available for the employment of staff in a House member's Washington, DC, and district offices. Each member can employ up to 18 permanent employees. As many as four additional employees may be designated by the member but need not be counted as permanent employees if they fall into one of the following categories: 1) part-time employees; 2) employees drawing compensation from more than one

employing authority of the House; 3) interns receiving pay; 4) employees on leave without pay; and 5) temporary employees. A pay order issued in 2009 sets employees' salaries in member offices at annual rates of not more than \$168,411 (Brudnick 2012).

The member's Congressional Handbook provides details about the terms and conditions of employment outlined by federal laws and House rules, regarding all types of employees from full-time employees to contractors (see [here](#) for more information).

Employees of House members are required by certain House rules and federal statutes to file official documents on travel, income, gifts and so on, and to make this information available to the public as public disclosure documents (see [here](#) for more information).

United Kingdom

Transparency of the MPs' budget and expenditures

Members of the House of Commons, who do not have standard working hours, receive a basic gross annual salary, which, for the financial year 2011-2012, amounts to £65,738 (€82,220). In addition, members of the House of Commons are entitled to claim expenses and costs related to the performance of their parliamentary functions, notably: 1) accommodation expenditure; 2) expenses for eligible dependants; 3) office expenditure for the cost of running and equipping an office in the member's constituency (newly elected members receive £6,000 (€7,500) for the cost of starting up their office); 4) staffing costs, including salaries amounting up to £137,200 (€175,350) outside London and £144,000 (€184,000) within London; 5) travel and subsistence allowance consisting of an uncapped amount for actual expenditure incurred; 6) additional budgets are also available for members who incur costs in the performance of their parliamentary functions relating to disability or security needs; and finally, 7) winding up expenditure for members leaving parliament who can claim up to £56,250 (€71,900) in London or £53,150 (€67,930) outside of London for the cost of completing their outstanding parliamentary functions.

Members of the House of Lords generally do not receive a salary for their parliamentary duties but are entitled to: 1) a flat-rate allowance of £150 (€190) or £300 (€375), which can cover, for example, subsistence and secretariat; and, within certain limits,

2) the travel expenses they incur in fulfilling their parliamentary duties. Special rules apply to the devolved parliaments (GRECO 2013).

Following the expenses' claims scandal in 2009, the Independent Parliamentary Standards Authority (IPSA) was established by the Parliamentary Standards Act. The IPSA has two main roles: 1) to regulate the expenses system; and 2) to administer and pay MPs' expenses and their salaries (IPSA, no date).

All claims made under the MPs' Scheme of Business Costs and Expenses must be accompanied by receipts or other proof of expenditure. Claims are validated by IPSA and are not paid if they are not within the rules or are not accompanied by the appropriate proof of expenditure. Each claim is then published, including those which are not reimbursed (GRECO 2013).

The UK is an exceptional example with regards to oversight of MPs expenditures because of the establishment of an independent monitoring body, thus moving the country away from self-regulation towards external regulation. IPSA is a statutory body, independent of parliament and government, which oversees and controls MPs' business costs and expenses. The budgets provided by IPSA are paid entirely out of public funds (GRECO 2013).

Germany

Transparency of the MPs' budget and expenditures

MPs receive a monthly tax-free expense allowance, which is currently set at €4,204 to cover the cost of equipping and maintaining one or more constituency offices as well as additional expenditure at the seat of the Bundestag, such as a second home, and mandate-related expenditure arising from representative functions, invitations and constituency work (GRECO 2015).

MPs are to submit information on the use of benefits received in the form of monetary payments or benefits in kind, as detailed above, on standard forms. However, no supporting documentation is required with respect to the expense allowance or the entitlement to free rail travel. The expense allowance is conceived as a flat-rate reimbursement for expenses which it is expected will be incurred, in order

to avoid difficulties of demarcation which would arise if MPs were required to submit itemised documentation of expenses relating to the exercise of their mandate (GRECO 2015).

Access to information concerning MPs' expenditure is regulated by the Freedom of Information Act. The Bundestag administration may only pass on information on MPs' expenditures to an applicant subject to the consent of the MP in question, as it is regarded as personal information connected to the MP's mandate (GRECO 2015).

The Bundestag administration examines the invoices and other supporting documentation associated with official travels before public funds are disbursed. Eight members of staff from the intermediate and higher intermediate service working in the competent division of the Bundestag administration are engaged in executing the application and approval procedure for trips and for settling MPs' travel expenses (GRECO 2015).

With respect to equipment and supplies for MPs' offices at the seat of the Bundestag and expenses in connection with the provision and use of the Bundestag's common information and communication system, these are administered via an account for benefits in kind (*Sachleistungskonto*) set up for every MP. A total of 11 members of staff of the Bundestag administration are responsible for verification of expense claims and reimbursement (GRECO 2015).

Conditions of employment and ethical framework of the parliamentary assistants

Staff employed by MPs at the seat of the Bundestag and in their constituencies are engaged on the basis of private law contracts concluded with the MPs. Their salaries are paid by the Bundestag administration from a staff allowance from budget funds of up to a maximum monthly amount of €16,517. The payment is made directly to the member of staff and only once all the conditions of the relevant regulations have been fulfilled.

Notably, MPs must submit to the administration employment contracts and personnel sheets and confirm in writing that they employ the members of staff to assist them in performing their parliamentary work, that they comply with certain minimum conditions as set out in a model employment contract

and according to an established salary scale, and that they are not or have not been related by blood or marriage to the member of staff and that no civil partnership exists or has existed between them. There are 33 staff members of the administration belonging to the intermediate and higher intermediate service who are engaged in examining and processing the related payment requests. MPs have a responsibility to ensure that public funds are used in accordance with the relevant regulations (GRECO 2017).

Sweden

Transparency of the parliamentary budget and expenditures

The Swedish Parliament's budget is a part of the national budget and is monitored accordingly by the Swedish National Audit Office, placed under the authority of the parliament.

In addition to the general annual financial reporting, the parliament's administration produces an annual financial and narrative report of the activities and accounts of the parliament. This report publishes detailed information about:

- a) the administrative management of the parliament
- b) the personnel and organisational costs
- c) results and outputs in each area of activity (chamber and committees); MPs and parties; knowledge about the parliament; the properties and collections of the parliament
- d) administration and human resources

In addition to the overview of activities, the annual report also provides information regarding the financial situation of the parliament, its budget and expenditure. The report is published in PDF and Word formats but not in machine-readable formats.

Transparency of the MPs' budget and expenditures

Members of the Swedish Parliament receive a basic taxable remuneration of SK63,800 (approximately €6,500) per month. The chair of the chamber receives a remuneration of SK164,000 (approximately €16 500) per month. The vice-chair as well as the chairs and vice-chairs of committees also receive a higher remuneration than their peers.

The additional resources that MPs enjoy are earmarked for a number of activities outlined in the law (Lag 2016:1108 om ersättning till riksdagens ledamöter):

- a) Travel to constituency: costs for MPs travelling to their constituency are paid for or reimbursed by the parliament as part of the institution's support to political activities of MPs and parties. MPs are free to organise their travels to their constituency as they please, but they need to declare their travel expenses. Travel and lodging is billed to the parliament's administration directly, and other costs are reimbursed on presentation of receipts to the parliamentary administration.
- b) Other travel within the country: MPs receive a per diem of SK370 (approximately €40) for domestic travel outside their constituency.
- c) Travel abroad: travel abroad usually takes place within the framework of a committee's or a political group's work. The decision is thus taken at the level of the committee or political group respectively. Political groups need to produce a financial report regarding the use of travel funds by members of their group. Travel abroad outside of committee or group activities need to be validated by one of the vice-chairs of the chamber. Each MP can receive SK50,000 (approximately €5,000) for travel abroad for each mandate. MPs need to present a report of activities upon return for each travel abroad.
- d) Housing in Stockholm: MPs whose constituency is further than 50km away from the capital receive an assistance for accommodation. They can choose to live in one of the parliament's apartments or they can choose their own apartment that is reimbursed up to SK8,600 (approximately €860) per month.

Information on the use of public funds, namely of the benefits received by MPs – such as subsistence allowances, accommodation costs and reimbursement of travel expenses – and of the office assistance (which is distributed through the parties), must be submitted by MPs to the Riksdag administration on standard forms. The administration verifies the information submitted. Those checks are complemented by public scrutiny, by the media in particular (GRECO 2013b).

Conditions of employment and ethical framework of the parliamentary assistants

The parliament grants MPs financial assistance for the recruitment of political assistants, through the mediation of the political groups. Each political party receives enough funds for one assistant per MP, which amounts to SK60,600 (approximately €6,300) per assistant per month. The party decides how the funds should be used and distributed.

The parliaments' rules state the tasks of political assistants. Assistants can collect information, draft bills, maintain contact with the media, answer emails and provide input to MPs' political activities (Riksdagen, no date).

Finland

Transparency of the parliamentary budget and expenditures

Parliament elects, from among its members, three auditors who then elect a fourth auditor and deputy who must be chartered public finance auditors or authorised public accountants. They are tasked with auditing the finances and administration of parliament and submit an annual audit report to parliament. Twice a year, the two chartered accountants audit payments made to 10-20 MPs to check whether the paid remunerations, compensation for expenses and costs of free travel have been paid per the law (GRECO 2013a).

Transparency of the MPs' budget and expenditures

Members of parliament are expected to work full-time with a remuneration of €6,335 a month, with the figure rising to €6,811 after 12 years of service. The budget for an MP's office is provided solely from public resources.

Compensation for expenses ranging from €990 to €1,810 a month is received depending on where MPs live and whether they have a second home in the Helsinki metropolitan area. It is in the form of a lump sum, is intended to cover work-related costs and is tax-free. MPs are also entitled to travel free of charge by rail, scheduled flight and coach in Finland and by taxi in the Helsinki metropolitan area for purposes related to legislative work (GRECO 2013a).

Information on MPs' salaries and additional benefits is public. Receipts and accounts can be read by media and citizens at the Parliamentary Office's Accounts Office upon request. There is a right of access to accounting documents and copies can be obtained (GRECO 2013a).

Control over the legitimate use of MPs' benefits is exercised by the Parliamentary Office's Accounts Office and the parliamentary auditors. Since part of the compensation for expenses granted to MPs living outside the Helsinki metropolitan area is meant to compensate costs of a second home (€492), the MPs concerned have to declare permanent residences and second homes to the Parliamentary Accounts Office. Two civil servants are responsible for verifying the information provided. Accounts concerning free travel allowances are supervised by four civil servants (GRECO 2013a).

Conditions of employment and ethical framework of the parliamentary assistants

MPs are entitled to a personal assistant employed by the parliamentary office with a monthly salary of € 2,315 for full-time work.

Norway

Transparency of the political groups' budget and expenditures

Like in Sweden, some allowances are given to the political groups rather than to MPs. Parliamentary party groups receive grants from the Storting (Norwegian parliament) to operate political and administrative support for the MPs. These grants are not given to the individual members but to the groups. All groups receive a fixed basic grant and a fixed amount per member (GRECO 2014).

The Storting has laid down guidelines on how the financial support may be spent. The groups must keep annual accounts, which must be audited by a certified accountant appointed by the Presidium and sent to the Presidium. The groups' annual accounts are published on the Storting's website (GRECO 2014).

Transparency of the MPs' budget and expenditures

MPs work on a full-time basis and receive an annual salary of NOK836,579 (€102,809). MPs receive the

following additional benefits to cover costs concerning a double household, commuting costs, phone and office expenses, insurance and so on.

The Storting has internal procedures for checking the payment of remuneration and reimbursement of expenses for MPs. Expenses are declared electronically by MPs. Internal control is performed by a dedicated accountant within the Storting, while the Office of the Auditor General provides independent external monitoring of the Storting's accounts (GRECO 2014)

MPs have their travel expenses covered for official journeys in accordance with the government scale. Travel abroad must be approved by the Storting's Presidium. All domestic travel is regarded as official journeys unless they are strictly private, with no relation to their position as MPs. Information on travel expenses is made available to journalists on request (GRECO 2014).

In Norway, information on all tax payers net capital and income, as well as paid taxes, is available to the general public. This transparency extends to MPs' remuneration and benefits listed above. The media also has a right of access to bills that MPs provide to the Storting. This information is subject to considerable media attention and scrutiny, both at local and national levels (GRECO 2014).

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