

## RENTAL PROPERTY DEPOSIT LOAN APPLICATION AND AGREEMENT

### SECTION 1: Terms and Conditions

#### Purpose

1. This loan application and agreement must be completed and signed if you want to apply for a deposit loan under Section 5.19 (Accommodation Expenses) or Section 9.8 (Constituency Office Rental Expenditure) of the Expenses Scheme.
2. This form may be used for either a residential or an office deposit loan, however, you must complete a separate loan agreement and application forms if you wish to apply for a residential rental deposit loan and an office rental deposit loan.

#### Purpose of the loan

3. You may only use a loan issued under these arrangements to pay for the initial deposit that you may be required to pay under the terms of your lease at the commencement of a tenancy on qualifying rented residential accommodation (Section 5.19 - Accommodation Expenses) or qualifying rented constituency office premises (Section 9.8 - Constituency Office Rental Expenditure).
4. No expenses may be claimed relating to the rental of a property where you, or a connected party, are the owner of the property in question (Section 4.13). For the avoidance of doubt, in these circumstances, “expenses” includes any deposit that the tenancy agreement may require you to pay.

#### Amount of the loan

5. For loans to cover the cost of the initial deposit that you may be required to pay under the terms of your lease at the commencement of a tenancy on qualifying rented residential accommodation (Section 5.19 - Accommodation Expenses), the amount you may borrow is subject to an overall limit of an amount equivalent to your annual budget within Accommodation Expenses for rental payments. Within this overall limit, the amount of any loan that IPSA may provide you with under these arrangements is limited to the deposit amount specified in your tenancy agreement, subject to a cap of the equivalent of 3 months of rent where this is within your overall Accommodation Expense annual budget for rental payments for accommodation.
6. For loans to cover the cost of the initial deposit that you may be required to pay under the terms of your lease at the commencement of a tenancy on qualifying rented constituency office premises (Section 9.8 - Constituency Office Rental Expenditure), the amount you may borrow is subject to an overall limit of an amount equivalent to your annual budget within Constituency Office Rental Expenditure for constituency office rental payments. Within this overall limit, the amount of any loan that IPSA may provide you with under these arrangements is limited to the deposit amount specified in your tenancy agreement, subject to a cap of the equivalent of 6 months of rent where this is within your overall Constituency Office Rental Expenditure annual budget for constituency office rental payments.

#### Number of loans

7. At any one time, the number of loans you may hold under these arrangements is limited to up to one loan issued under Section 5.19 and one loan issued under Section 9.8.

#### Paying back the loan

8. You must notify IPSA and pay back the full amount of any loan issued by IPSA to you under Section 5.19 or under Section 9.8 within one month of the deposit being repaid to you, the relevant lease ending or when you cease to be an MP, whichever is the earliest.

9. You are responsible for securing the return of the deposit and for repaying the loan in full to IPSA. Any shortfall between the loan and the amount returned to you shall be your sole responsibility.
10. IPSA will require repayment of the loan following any event or circumstance (or IPSA becoming aware of any event or circumstance) which in IPSA's opinion (acting reasonably) (i) is contrary to the terms of the Scheme or (ii) materially changes the basis or understanding on which IPSA originally approved the loan.
11. You will be required to pay back any loan you hold under these arrangements in the event that it becomes illegal for IPSA to issue such loans or if there are any changes in circumstances requiring IPSA to repay the funds.
12. For the avoidance of doubt, you may not re-borrow any sums repaid to you.

#### **Submitting your loan agreement and application**

13. You must submit the following documents with your loan agreement and application:
  - a. Completed and signed agreement and application form.
  - b. Your rental agreement. For the purpose of this loan, this may be the draft rental agreement.
  - c. Your rental agreement (or draft rental agreement) must clearly show:
    - i. the name and address of your landlord;
    - ii. the details of the property to be rented, including its address;
    - iii. a schedule showing details and amount of any deposit payable ( and when due);
    - iv. a schedule of all rental amounts and when they are to be paid;
    - v. that you are (or will be) the lessee; and,
    - vi. all other terms and conditions of the lease arrangement.
14. In cases where constituency office premises are to be rented from a political party or constituency association, a valuation must be provided from a qualified independent assessor as to the market rate for the contract and that market rate must not be exceeded (Section 9.7).
15. Once you have finalised your tenancy agreement you must provide this (or a certified copy) to IPSA and evidence that you have paid the deposit to your landlord (a receipt). Where you provide the original lease document to IPSA, IPSA will make a copy for its records and return the original to you.
16. For the avoidance of doubt, the documentary evidence that you are required to submit must be in form and substance satisfactory to IPSA before there is any obligation on IPSA to make a loan available.

#### **Management Assurance and Audit**

17. At the end of each financial year, you will be required to certify to IPSA that: you continue renting the relevant property; the deposit has not been repaid; and, no other repayment event has occurred.
18. From time to time, IPSA may ask you for additional information for validation checks for management assurance or audit purposes.
19. IPSA may publish details of loans held by you under this agreement.

#### **Agreement**

20. You are required to certify on this application that you have read, understood and agree to comply with these terms conditions and that your application complies with the rules and conditions of the Independent Parliamentary Standards Authority's MPs' Expenses Scheme. If you do not comply with the terms and conditions or your application is not consistent with IPSA's rules and guidance, IPSA will seek immediate recovery of the loan from you.
21. This loan agreement and any non-contractual obligations arising out of it are governed by English law.

**SECTION 2: Loan Application Detail**

**1: About you**

Title: \_\_\_\_\_

Name: \_\_\_\_\_

Constituency: \_\_\_\_\_

Home Address:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Post Code: \_\_\_\_\_

If we need to contact you about your loan agreement and application we will write to you at this address.

**4: Rental property details**

Landlord name: \_\_\_\_\_

Landlord address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Post Code: \_\_\_\_\_

Rental property address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Post Code: \_\_\_\_\_

Start date of lease: \_\_\_\_\_

Length of lease (months): \_\_\_\_\_

Monthly rental charge: \_\_\_\_\_

Amount of deposit: \_\_\_\_\_

**2: Type of deposit loan you are applying for**

- Residential
- Constituency office

Indicate the type of loan you are applying for by ticking the relevant box.

**3: Amount of loan applied for**

£

Subject to the cap limits set out in the Terms and Conditions of this agreement, the amount applied for should agree to the amount shown in your tenancy agreement as the sum you are required to pay as a deposit at the start of your tenancy.

**IPSA will pay a loan approved under this arrangement into the bank account into which your parliamentary salary is also paid.**

**5: Supporting Documentation**

Please confirm that you have provided all the following in support of your loan application.

- Completed and signed agreement and application form.
- Your rental agreement. For the purpose of this loan, this may be the draft rental agreement.
- Your rental agreement (or draft rental agreement) must clearly show:
  - the name and address of your landlord;
  - the details of the property to be rented, including its address;
  - a schedule showing details and amount of any deposit payable ( and when due);
  - a schedule of all rental amounts and when they are to be paid;
  - that you are (or will be) the lessee; and,
  - all other terms and conditions of the lease arrangement.
- Where relevant, where premises are to be rented from a political party or constituency association, a valuation from a qualified independent assessor as to the market rate for the contract and that market rate must not be exceeded (Section 9.7).

### SECTION 3: Loan Agreement

#### TO BE COMPLETED BY THE MEMBER OF PARLIAMENT

**By signing this form you are entering into a legally binding agreement with IPSA that is governed by the terms and conditions set out within this document.**

I certify that:

I have read and understood the terms and conditions for this loan and that I will abide and comply with them; the information I have supplied on this form is, to the best of my knowledge, true and complete; and, I have attached the necessary supporting documentation.

**Signature**

**X** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Date:** \_\_\_\_\_

#### TO BE COMPLETED BY IPSA

**Loan agreement authorised on behalf of IPSA by:**

**Signature of authorising officer**

**X** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Position:** \_\_\_\_\_

*IPSA will retain the original of this signed loan agreement and will provide you with a copy for your records.*

#### **How to submit your application:**

- bring the required form and documentation to the IPSA Documentation Team at Portcullis House from 24 May until 18 June 2010, 9.00am - 4.00pm; or
- if you have the required documentation ready before 24 May 2010, please contact the IPSA Information Line; or
- post your application to: IPSA , 7th floor, Portland House, Bressenden Place, London, SW1E 5BH.

**Data Protection** IPSA will process the personal information you provide, and the personal information it obtains, for the purposes of exercising its statutory functions and as set out in the IPSA Freedom of Information and Data Protection Policy. IPSA may disclose information to third parties where it is required or permitted to do so by law. IPSA is a public authority under the Freedom of Information Act 2000 (FOIA). The information it holds may be disclosable under FOIA. Under the Data Protection Act 1998, you have a right to request a copy of the personal information which IPSA holds on you. To make a request, please contact IPSA's Data Protection Officer. IPSA may charge the statutory fee for access. For further information about how IPSA processes your personal information, please contact IPSA's Data Protection Officer at IPSA, 7th floor, Portland House, Bressenden Place London SW1E 5BH.