



BRIEFING PAPER

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Members' pay and expenses and ministerial salaries 2019/20

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Summary

Information on additional funding made available by IPSA in March 2020 was added to this paper in March 2021. The additions are indicated. The original text has not been altered but some hyperlinks have been updated.

The Independent Parliamentary Standards Authority ([IPSA](#)) is responsible for determining and paying Members' salaries; for preparing and regularly reviewing and revising a scheme under which allowances are paid; and for paying those allowances.

It has no role in determining or paying ministerial salaries.

Members' salaries

From 1 April 2019, the annual salary of a Member of Parliament [increased to £79,468](#), in accordance with IPSA's [determination](#) of July 2015.

IPSA reviewed Members' pay in the 2010 Parliament to put in place a new settlement for the 2015 Parliament. In December 2013, at the end of the review, IPSA published a determination which set the Members' salary at £74,000, from the beginning of the 2015 Parliament, and provided for MPs' salaries to be adjusted in line with the rate of annual change in average earnings on 1 April each year, from 2016.

Under section 4A of the *Parliamentary Standards Act 2009*, IPSA is required to undertake a statutory review of Members' pay in the first year after a general election.

In its [statutory review](#) of Members' pay at the beginning of the 2015 Parliament, IPSA confirmed that Members' pay would increase to £74,000, after the 2015 General Election, but it determined that subsequent annual increases should be in line with changes in public sector average earnings (not whole economy average earnings).

IPSA [launched](#) a statutory review of Members' salaries in May 2018, following the June 2017 general election. In July 2018, it [announced](#) that it would make no changes to the July 2015 determination.

Following the 2019 general election, IPSA will need to undertake a further statutory review of MPs' salaries in 2020.

Members' expenses

Since the 2010 General Election, responsibility for devising a scheme for and paying Members' expenses has rested with IPSA.

IPSA undertook a comprehensive review of the Scheme, which began with a consultation issued in May 2016.

The review identified a number of changes that would be implemented following a general election, which at the time was scheduled for May 2020. The early General Election in June 2017 meant that some changes were implemented in the course of the 2017/18 financial year.

Following a [consultation](#) on the Scheme, IPSA [introduced](#) some changes to the Eleventh Edition of the Scheme, which came into force on 1 April 2019. MPs are able to 'hire' IPSA equipment for election campaigning and IPSA has discretion to vary the 90-day period for submitting claims and the length of the winding-up period.

Following IPSA's [statutory review](#) of MPs' pay at the beginning of the 2017 Parliament, it [made alterations](#) to the arrangements for MPs who lost their seats at a general election. It introduced a new Winding-Up Payment for MPs – two months' net salary for MPs defeated at any general election and for MPs standing down at an early general election.

The main expense budgets provided in IPSA's scheme and the maximum amounts that Members can claim in 2019/20 are set out below. Because there was an early general election in the course of the financial year, IPSA also set [pro-rated budget limits for MPs who lost their seat or left Parliament in December 2019](#) (nine months), and for [those elected who were not MPs in the previous Parliament](#) (four months):

	Full year	4 months#	9 months^
Accommodation Costs			
London area (rent)	£22,920	£7,640	£17,190
Outside London area (rent)	£16,010	£5,337	£12,008
Own home*	£5,270	£1,757	£3,953
Caring responsibility (per dependant)	£5,435	£1,812	£4,076
London Area Living Payment	£4,030	£1,343	£3,023
London Area Living Payment (addition)	£1,430	£477	£1,073
Staffing Costs			
London Area MPs	£166,930	£55,643	£125,198
non-London Area MPs	£155,930	£51,977	£116,948
Office Costs			
London Area MPs	£28,270	£15,423	£21,203
non-London Area MPs	£25,430	£14,477	£19,073
Start-up supplement	£6,000	##	£6,000
Winding-up Costs			
London Area MPs	£57,150	£57,150	£57,150
non-London Area MPs	£53,950	£53,950	£53,950

* available to Members who own their own home, to cover costs such as utility bills and council tax

4 months' prorated budgets for new MPs

included in Office Costs budgets above

^ 9 months prorated budgets for departing MPs

Coronavirus Measures (update added 10 March 2021)

On 19 March 2020, IPSA [announced](#) an immediate increase of £10,000 to each MP's office costs budget, in order to support their staff in moving to homeworking. IPSA also increased the limit on payment cards; suspended the 90-day limit for claims; among other things and committed to keeping these measures under review.

Ministerial salaries

Ministers who are Members of the House of Commons receive a Member's salary and a ministerial salary. Ministers who are Members of the House of Lords receive a ministerial salary but they cannot claim Lords Attendance Allowance.

On assuming office in May 2010, the Coalition Government announced that ministers' total pay would be cut by 5% and then frozen for the duration of that Parliament. The previous Labour administration had already frozen ministerial salaries through refusing increases in both ministerial and Members' salaries, so the actual earnings of ministers did not equate to their entitlements.

The Coalition Government made an Order in 2011 to set ministerial salaries in accordance with its May 2010 announcement. However, subsequent increases in Members' pay led to ministers in the House of Commons waiving part of their ministerial salary to prevent

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their total remuneration increasing and meant that the salaries drawn by ministers were different to those stated in the legislation.

Following the May 2015 general election, David Cameron announced that he had decided to continue to freeze the pay of ministers in government. Unlike the 2010 Parliament, this freeze applied only to the ministerial element of a minister's total salary.

When information on ministerial salaries from April 2018 was published, notes [confirmed](#) that "The Government has committed to continue to freeze Ministerial salaries".

In May 2019, the Leader of the House of Lords [announced](#) that Lords ministers' pay would increase. Reflecting the increases Commons ministers had received in their parliamentary salaries since May 2015, Lords ministerial salaries increased by 3.3% and from April 2019, they received their full entitlement.

The ministerial element of salary drawn by Commons ministers continues to be below that specified in legislation.

This briefing paper reports on rates in 2019/20.

The Library Briefing Paper, [Members' pay and expenses and ministerial salaries 2020/21](#) (CBP09148) was published on 25 February 2021

A list of previous Library Briefing Papers on Members' pay, expenses and ministerial salaries can be found in Appendix 5. The paper covering the 2018/19 financial year is [Members' pay and expenses and ministerial salaries 2018/19](#), CBP08535, 27 March 2019

1. Introduction

1.1 The establishment of the Independent Parliamentary Standards Authority (IPSA)

In the wake of the expenses scandal in 2009, the Independent Parliamentary Standards Authority (IPSA) was established by the *Parliamentary Standards Act 2009*.

A widespread sense of public anger followed the *Daily Telegraph's* publication of extensive details of "how MPs had utilised the expenses scheme over recent years". It led to police investigations, the imprisonment of four Members, the resignation of the Speaker and a new statutory expenses regime, under the *Parliamentary Standards Act 2009*.¹ In introducing the legislation, Jack Straw, the Leader of the House of Commons, acknowledged that the expenses scandal had "profoundly affected the public's trust" in Members and the House. He said that it had damaged Members' confidence in themselves; undermined those whose conduct was beyond reproach; and "revealed a collective failure by this place effectively to regulate itself".²

IPSA was initially created to pay Members' salaries in accordance with resolutions of the House of Commons; to determine a scheme for Members' allowances and to pay allowances; and to regulate the allowances regime.

Its functions were amended following the Committee on Standards in Public Life (CSPL) inquiry on Members' allowances, which had been launched before the expenses scandal broke. The CSPL recommended that IPSA should take responsibility for determining Members' pay and also recommended changes to IPSA's regulatory powers.³

The (Labour) Government and the other political parties accepted the recommendations from the CSPL, and the Government brought forward amendments to the *Parliamentary Standards Act 2009* in the *Constitutional Reform and Governance Act 2010*. IPSA was given the responsibility for determining, as well as paying, Members' salaries.

1.2 IPSA's duties

The *Parliamentary Standards Act 2009*, as amended by the *Constitutional Reform and Governance Act 2010*, established the IPSA and gave it the responsibility for:

- determining and paying Members' salaries;

¹ Matthew Flinders summarised the scandal and its impact in "Bagehot smiling: Gordon Brown's 'new constitution' and the revolution that did not happen", *Political Quarterly*, 2010, Volume 81, Issue 1, p59. See also Ian Kennedy, *Cleaning up the Mess – After the MPs' Expenses Scandal*, (Sir Ian was the first chair of IPSA and the book gave his account of the establishment of IPSA)

² HC Deb 29 June 2009 c44

³ Committee on Standards in Public Life, *MPs' expenses and allowances: Supporting parliament, safeguarding the taxpayer*, November 2009 Cm 7724

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- preparing and regularly reviewing and revising a scheme under which allowances are paid; and
- paying those allowances.

IPSA is required to review the existing determination on Members' salaries in the first year of each Parliament and at any other time it considers appropriate. The legislation states that IPSA must "review the current determination (and make a new determination as appropriate)" in the first year of each Parliament (beginning after April 2012) and "at any other time it considers appropriate". But IPSA's first determination of Members' salaries did not have to come into effect before 1 April 2012.⁴ These provisions were brought into force on 24 May 2011.⁵

The legislation also established the role of the Compliance Officer who:

- reviews decisions on the payment of expenses if requested to by Members; and
- conducts investigations if he believes payments have been made that should not have been.

Further information on the role and duties of the Compliance Officer are outlined in the Library Briefing Paper [The Compliance Officer](#).

The *Constitutional Reform and Governance Act 2010* added the following provision concerning the general duties of IPSA:

- (1) In carrying out its functions the IPSA must have regard to the principle that it should act in a way which is efficient, cost-effective and transparent.
- (2) In carrying out its functions the IPSA must have regard to the principle that members of the House of Commons should be supported in efficiently, cost-effectively and transparently carrying out their Parliamentary functions.⁶

Additionally, the *Constitutional Reform and Governance Act 2010* transferred the administration of the Parliamentary Contributory Pension Fund to IPSA.⁷ Further details on Members' pensions can be found in the Library Briefing Papers:

- [MPs' Pension Scheme – background](#) (SN01844, January 2013), for background; and
- [MPs' Pension Scheme](#) (SN06283, May 2016)

1.3 IPSA's structure

IPSA is a body corporate. It has one member who is its chair and four other members.

Schedule 1 of the *Parliamentary Standards Act 2009* specifies that:

- at least one of the members (including the chair) "must be a person who has held (but no longer holds) high judicial office";

⁴ *Constitutional Reform and Governance Act 2010* (chapter 25), section 29

⁵ [Constitutional Reform and Governance Act 2010 \(Commencement No. 5\) Order 2011](#), SI 2011/1274

⁶ *Parliamentary Standards Act 2009* (chapter 13) as amended, section 3A

⁷ *Constitutional Reform and Governance Act 2010* (chapter 25), section 40 and Schedule 6

- at least one must be “a person who is eligible for appointment as a statutory auditor”; and
- one must be “a person who has been (but is no longer) a member of the House of Commons”. Otherwise, no-one who has been a Member of Parliament within the last five years may be a member of IPSA.

All are appointed by Her Majesty on an Address of the House, “made only with the agreement of the Speaker”. Furthermore, the Speaker “must not select a candidate without the agreement of the Speaker's Committee for the Independent Parliamentary Standards Authority”.

IPSA must appoint a chief executive and may appoint staff. The chief executive carries out IPSA’s administrative functions on behalf of IPSA and in accordance with its general directions.⁸

⁸ *Parliamentary Standards Act 2009* (chapter 13), Schedule 1

2. Members' salaries

Summary

Since May 2011, the Independent Parliamentary Standards Authority (IPSA) has been responsible for determining Members' pay.

On 28 February 2019, IPSA confirmed that Members' pay would increase by 2.7% to £79,468 from 1 April 2019. This was in line with the rate of annual change in public sector average earnings, as set out in the determination IPSA issued in July 2015.

IPSA reviewed Members' pay in the 2010 Parliament, in order to put in place a new settlement for the 2015 Parliament. The review began in 2012. IPSA published its final recommendations in December 2013 and issued a determination setting salaries at £74,000 with effect from 8 May 2015. Thereafter salaries would rise in line with the rate of annual change in average earnings. However, IPSA delayed the coming into force of the determination until 30 September 2015. It stated that the delay would allow it to conduct a review of this recommendation – this review would form the statutory review of Members' salaries that IPSA had to conduct at the beginning of the 2015 Parliament. Under section 4A of the *Parliamentary Standards Act 2009*, IPSA has to review "the current determination ... in the first year of each Parliament".

In July 2015, having conducted the statutory review, IPSA confirmed that Members' salaries would increase to £74,000 per annum with effect from 8 May 2015. However, it determined that subsequent annual increases should be in line with changes in public sector average earnings (not whole economy average earnings). Changes to Members' pensions and to rules on claiming some personal expenses were made to ensure that there was no additional cost to taxpayers.

In May 2018, IPSA issued a consultation to fulfil the statutory obligation to review its determination in the first year of the 2017 Parliament. On 5 July 2018, IPSA announced that "the salaries of Members of Parliament will continue to be linked to changes in average public sector pay" and that it would make no changes to the 2015 determination.

2.1 Members' salaries in the 2015 and 2017 Parliaments

Responsibility for determining Members' pay was transferred to IPSA, in May 2011, by the *Parliamentary Standards Act 2009*, as amended by the *Constitutional Reform and Governance Act 2010*. Previously Members' salaries were determined by resolution of the House of Commons.

From the beginning of the 2015 Parliament Members' salaries have been set in accordance with a determination issued by IPSA in July 2015.⁹ This determination was issued following IPSA's statutory review of Members' salaries at the beginning of the 2015 Parliament. It superseded a determination issued in December 2013, following IPSA's

⁹ IPSA has to conduct a statutory review in the first year of a new Parliament [*Parliamentary Standards Act 2009*, section 4A (6)]

first review of Members' salaries,¹⁰ which was launched in 2012. The statutory review in the first year of the 2017 Parliament confirmed that the July 2015 determination would continue in force in the 2017 Parliament.¹¹ The July 2015 determination is set out in Box 1.¹²

The 2013 and 2015 determinations set the Member's salary at £74,000 from 8 May 2015. The July 2015 determination altered the measure of annual earnings used to determine annual changes in Members' salaries. It determined that subsequent annual increases should be in line with changes in public sector average earnings (not whole economy average earnings). On 1 April 2019, the salary of a Member of Parliament increased to £79,468. The salary was confirmed by IPSA in February 2019.¹³

Box 1: IPSA's determination for Members' pay from the beginning of the 2015 Parliament

IPSA's July 2015 report, [MPs' Pay in the 2015 Parliament: Final Report](#), which was published following its statutory review of Members' salaries at the beginning of the 2015 Parliament, included a determination on Members' salaries in the 2015 Parliament, which superseded the December 2013 determination:

1. This determination was made by IPSA under Section 4 of the Parliamentary Standards Act 2009 on 16 July 2015 and comes into effect immediately. It supersedes the determination on the MP Salary which was made on 5 December 2013.
2. With effect from 8 May 2015, the salary for service as a member of the House of Commons will be £74,000 per annum (referred to as the "MP Salary").
3. With effect from 1 April each year, starting with 1 April 2016, the MP Salary will be adjusted by the rate of annual change in public sector average earnings.
4. For the purposes of this determination 'annual change in public sector average earnings' means the seasonally adjusted three month average change in public sector average weekly earnings ending in the previous October, compared with the same period a year earlier. These data are published by the Office for National Statistics monthly as the AWE-KAC9 series.
5. This determination will be reviewed in the first year of each Parliament, as required by Section 4 of the Parliamentary Standards Act 2009.

2.2 Members' pay 1997-2019

Before IPSA was given responsibility for determining Members' pay, the House of Commons determined Members' salaries.

Between 1997 and 2008, the House voted periodically on motions to give effect to changes in Members' pay, usually on the basis of reports commissioned by the Government from the Senior Salaries Review Body.

¹⁰ Independent Parliamentary Standards Authority, [MPs' Pay in the 2015 Parliament: A consultation](#), June 2015; Independent Parliamentary Standards Authority, [MPs' Pay in the 2015 Parliament: Final Report](#), July 2015

¹¹ Independent Parliamentary Standards Authority, [Review of MPs' remuneration: A consultation](#), May 2018; Independent Parliamentary Standards Authority news, [IPSA announces outcome of MPs' pay consultation](#), 5 July 2018

¹² The December 2013 determination was published in Independent Parliamentary Standards Authority, [MPs' Pay and Pensions: Final Report](#), December 2013

¹³ Independent Parliamentary Standards Authority news, [MPs' pay for 2019-20](#), 28 February 2019

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The table below sets out the changes in the levels of Members' salaries from 1997 to 2019.

Table 1: Members' Pay, 1997-2019

£ per annum, nominal terms

1 April 1997	£43,860
1 April 1998	£45,066
1 April 1999	£47,008
1 April 2000	£48,371
1 April 2001	£49,822
20 June 2001 <i>(a)</i>	£51,822
1 April 2002 <i>(b)</i>	£55,118
1 April 2003	£56,358
1 April 2004	£57,485
1 April 2005	£59,095
1 April 2006 <i>(c)</i>	£59,686
1 November 2006 <i>(c)</i>	£60,277
1 April 2007 <i>(d)</i>	£61,181
1 November 2007 <i>(d)</i>	£61,820
1 April 2008 <i>(e)</i>	£63,291
1 April 2009 <i>(e)</i>	£64,766
1 April 2010 <i>(e)</i>	£65,738
1 April 2011 <i>(f)</i>	£65,738
1 April 2012 <i>(g)</i>	£65,738
1 April 2013 <i>(h)</i>	£66,396
1 April 2014 <i>(h)</i>	£67,060
1 April 2015 <i>(g)</i>	£67,060
8 May 2015 <i>(i) (j)</i>	£74,000
1 April 2016 <i>(i)</i>	£74,962
1 April 2017 <i>(i)</i>	£76,011
1 April 2018 <i>(i)</i>	£77,379
1 April 2019 <i>(i)</i>	£79,468

(a) Comprises formula increase of 3 percent, paid in April 2001, plus £2,000 from 20 June 2001

(b) Comprises formula increase of 2.5 percent plus £2,000 from 1 April 2002

(c) In 2006/07 the formula increase (2 per cent) was implemented in two equal stages

(d) In 2007/08 the increase recommended by SSRB was staged

(e) In accordance with the resolution of the House of 3 July 2008

(f) In accordance with the resolution of the House of 21 March 2011

(g) Decision of IPSA

(h) IPSA Determination, January 2013

(i) IPSA Determination, July 2015

(j) Determination came into force on 16 July 2015

Further details of changes in Members' pay before responsibilities transferred to IPSA can be found in the Library Research Paper, [Members' pay and expenses – current rates and a review of developments since 2009](#) (RP 12/29, 22 May 2012).

Details of developments in Members' pay since IPSA's establishment can be found in the Library Briefing Papers since 2013, listed in Appendix 5.

2.3 Additional salaries for select committee chairs and for members of the Panel of Chairs

House of Commons specifies who qualifies for additional salaries and IPSA determines it

Additional salaries for select committee chairs were introduced from the beginning of the 2003-04 Session.¹⁴

On 13 July 2005, the House of Commons agreed that additional salaries should be paid to members of the Panel of Chairs, from 1 November 2005.¹⁵

Until May 2010, the House of Commons was responsible for determining and paying these additional salaries. Now IPSA is responsible for determining the level of the additional salary, while the House of Commons specifies which roles qualify for an additional salary.

These salaries are paid to Members in accordance with sections 4 and 4A of the *Parliamentary Standards Act 2009*, as amended. Subsection 4A(2) allows IPSA to pay additional salaries to “members while holding an office or position specified for the purposes of this subsection in a resolution of the House of Commons”.¹⁶

On 19 March 2013, the House of Commons agreed a resolution (for the purposes of subsection 4A(2)) which set out who was entitled to an additional salary and what should be done in cases where an individual appeared to qualify for more than one additional salary:

That—

(1) Subject to paragraphs (2) and (3), the following offices of positions are specified for the purposes of section 4A(2) of the *Parliamentary Standards Act 2009*, with effect from 1 April 2013—

(a) the Chair of a select committee appointed under Standing Order No. 152 (Select Committees related to government departments), the Administration Committee, the Backbench Business Committee, the Environmental Audit Committee, the European Scrutiny Committee, the Finance and Services Committee, the Liaison Committee, the Political and Constitutional Reform Committee [the Standing Order establishing this committee expired at the end of the 2010 Parliament], the Select Committee on Procedure, the Committee of Public Accounts, the Select Committee on Public Administration, the Regulatory Reform Committee, the Committee of Selection, the Committee on Standards, the Joint Committee on Human Rights or the Joint Committee on Statutory Instruments; and

¹⁴ For further details, see House of Commons Library Briefing Paper, [Select committees – pay for chairs](#), SN02725

¹⁵ For further details, see House of Commons Library Briefing Paper, [Public bill and general committees: pay for chairs](#), SN03718

¹⁶ *Parliamentary Standards Act 2009* (chapter 13), section 4A(2)

(b) a member of the Panel of Chairs appointed under Standing Order No. 4 (Panel of Chairs), other than a member who is the Chair of a committee specified in subparagraph (a) or a member who is entitled to an additional salary by virtue of any provision of the Ministerial and other Salaries Act 1975.

(2) If a Member already holds an office or position referred to in paragraph (1)(a), then any other office or position referred to in paragraph (1)(a) is not specified for the purposes of section 4A(2) of the Parliamentary Standards Act 2009 in respect of any period for which that other post or position is held by that Member.

(3) Any office or position referred to in paragraph (1)(a) for the purposes of section 4A(2) of the Parliamentary Standards Act 2009 is not specified for the purposes of that section in respect of any period in which it is held by a Member who is also entitled to an additional salary by virtue of any provision of the Ministerial and other Salaries Act 1975.

(4) Any reference to any committee in paragraph (1)(a) shall, if the name of the committee is changed, be taken to be a reference to the committee by its new name.¹⁷

The resolution made provision for changes to names of committees. However, the House has also created new committees since March 2013. The chairs of those, such as the Women and Equalities Committee, that are included in Standing Order No 152 automatically qualify for the additional salary but other committees have been added to the list by the House:

- the High Speed Rail (London - West Midlands) Bill Select Committee (April 2014-February 2016);
- the Petitions Committee (March 2015);
- the Committee on Exiting the European Union (October 2016, July 2017 and January 2020) – the Committee on the Future Relationship with the European Union (from March 2020);
- the High Speed Rail (West Midlands - Crewe) Bill Select Committee (January 2018-June 2019); and
- the European Statutory Instruments Committee (July 2018 and February 2020).¹⁸

IPSA's March 2016 consultation on additional salaries for committee chairs

On 11 March 2016, IPSA issued a consultation document on the pay of chairs of committees.¹⁹

IPSA published the conclusion of its consultation on 25 May 2016. It reviewed the responses to the consultation. It found the majority of responses supported its proposals to retain the existing salary and

¹⁷ [HC Deb 19 March 2013 cc900-902](#)

¹⁸ [HC Deb 29 April 2014 c774](#); [HC Deb 26 March 2015 c1628](#); [HC Deb 11 October 2016 c256](#) and [c259](#); [HC Deb 4 July 2017 cc1077-1088](#); and [HC Deb 30 January 2018 c792](#); [HC Deb 16 July 2018 c192](#); [HC Deb 16 January 2020 c1267](#); [HC Deb 3 February 2020 c143](#)

¹⁹ Independent Parliamentary Standards Authority, [Reviewing Pay for Chairs of Committees: A Consultation](#), March 2016

arrangements for select committee chairs. Most respondents supported streamlining the salary structure for members of the Panel of Chairs. There was also support for linking increases in additional salaries to increases in Members' salaries.²⁰

IPSA confirmed that salaries in 2016/17 for select committee chairs would be frozen at 2015 levels and that, from 1 June 2016, a single rate of additional salary would be implemented for members of the Panel of Chairs, at the same level as select committee chairs. Thereafter, additional salaries would (like MPs' salaries), be adjusted by the rate of annual change in public sector average earnings.²¹

An extract from the determination is provided in Box 2.

Box 2: IPSA's determination on the Additional Salary for Specified Committee Chairs

1. This determination was made by IPSA under Section 4 of the Parliamentary Standards Act 2009 on 25 May 2016 and comes into effect on that date. It supersedes the determination on the Additional Salary for Specified Committee Chairs which was made by IPSA on 5 December 2013.
2. The holder of an office or position specified by the House of Commons in a resolution under Section 4A(2) of the Parliamentary Standards Act 2009 (collectively called "specified Committee Chairs") shall be paid a salary per annum (referred to as an "Additional Salary") by IPSA in accordance with this determination in addition to the MP Salary he or she shall be entitled to receive as a Member of Parliament.
3. For the avoidance of doubt, the term "specified Committee Chairs" covers Chairs of Select Committees and Members of the Panel of Chairs.
4. With effect from 1 June 2016, the Additional Salary per annum for specified Committee Chairs will be £15,025.
5. With effect from 1 April each year, starting with 1 April 2017, the Additional Salary per annum for specified Committee Chairs will be adjusted by the rate of annual change in public sector average earnings.
6. For the purposes of this determination 'annual change in public sector average earnings' means the seasonally-adjusted, three-month average change in public sector average weekly earnings ending in the previous October, compared with the same period a year earlier. These data are published by the Office for National Statistics monthly as the AWE-KAC9 series.
7. This determination will be reviewed in the first year of each Parliament, as required by Section 4 of the Parliamentary Standards Act 2009.

[...]

Source: Independent Parliamentary Standards Authority, [Pay for Chairs of Committees: Final Report](#), May 2016, Annex A

Select committee chairs

From the introduction of additional salaries for select committee chairs, the level of additional salary has been set at a single rate for all qualifying chairs.

IPSA issued its first determination in January 2013, setting salaries for April 2013 and April 2014. It issued a further determination in December 2013, setting the salaries of members of the Panel of Chairs (and of select committees chairs) from April 2015. The final report of its

²⁰ Independent Parliamentary Standards Authority, [Pay for Chairs of Committees: Final Report](#), May 2016

²¹ Independent Parliamentary Standards Authority news, [Decision on pay for chairs of committees confirmed by the Independent Parliamentary Standards Authority](#), 25 May 2016

review of pay for committee chairs included a determination which set the level of salary for June 2016 onwards and provided for it to be adjusted on an annual basis, in line with changes in average earnings (see Box 2 for the determination).

From 1 April 2019, the additional salary is set at £15,928. The statutory review in the first year of the 2017 Parliament confirmed that the determination of May 2016 would continue in force in the 2017 Parliament.²²

The additional salaries of select committee chairs, determined by IPSA since 2013 are set out in Table 2, below.

Table 2: Select committee chairs, additional salary (£ per annum)

1 April 2013	£14,728
1 April 2014	£14,876
1 April 2015	£15,025
1 June 2016	£15,025
1 April 2017	£15,235
1 April 2018	£15,509
1 April 2019	£15,928

Sources: Independent Parliamentary Standards Authority, [Reviewing MPs' Pay and Pensions: A First Report](#), January 2013, Annex A; Independent Parliamentary Standards Authority, [MPs' Pay and Pensions – Final Report](#), December 2013, Annex B; Independent Parliamentary Standards Authority, [Pay for Chairs of Committees: Final Report](#), May 2016, Annex A; Independent Parliamentary Standards Authority, [MPs' Pay and Pensions](#) (webpage)

Information on the background to the introduction of additional salaries for Members who chair select committees and the levels of additional salaries since their introduction can be found in the Library Briefing Paper, [Select Committees – pay for chairs](#) (SN02725).

Members of the Panel of Chairs

From the introduction of additional salaries for members of the Panel of Chairs until the conclusion of IPSA's 2016 review of additional salaries for committee chairs, the level of additional salary depended on their length of service on the Panel. From June 2016 onwards, IPSA's determination provided for a flat rate for all members of the Panel of Chairs, at the same level as that of select committee chairs.

IPSA issued its first determination in January 2013, setting salaries for April 2013 and April 2014. It issued a further determination in December 2013, setting the salaries of members of the Panel of Chairs (and of select committees chairs) from April 2015. The final report of its review of pay for committee chairs included a determination which set the level of salary for June 2016 onwards and provided for it to be adjusted on an annual basis, in line with changes in public sector average earnings (see Box 2 for the determination).

From 1 April 2019, the additional salary is set at £15,928.

²² Independent Parliamentary Standards Authority news, [IPSA announces outcome of MPs' pay consultation](#), 5 July 2018

The additional salary rates for members of the Panel of Chairs, for 2013/14 to 2019/20, determined by IPSA, are set out in Table 3.

Table 3: Panel of Chairs, additional salary (£ per annum)

	Length of service			
	Less than one year	1-3 years	3-5 years	5 years or more
1 April 2013	2,940	8,248	11,193	14,728
1 April 2014	2,970	8,331	11,305	14,876
1 April 2015	3,000	8,415	11,419	15,025
	All chairs			
1 June 2016		15,025		
1 April 2017		15,235		
1 April 2018		15,509		
1 April 2019		15,928		

Sources: Independent Parliamentary Standards Authority, [Reviewing MPs' Pay and Pensions: A First Report](#), January 2013, Annex A; Independent Parliamentary Standards Authority, [MPs' Pay and Pensions – Final Report](#), December 2013, Annex B; Independent Parliamentary Standards Authority, [Pay for Chairs of Committees: Final Report](#), May 2016, Annex A; Independent Parliamentary Standards Authority, [MPs' Pay and Pensions](#) (webpage)

Information on the background to the introduction of additional salaries for Members who serve on the Panel of Chairs and the levels of additional salaries since their introduction can be found in the Library Briefing Paper, [Public bill and general committees: pay for chairs](#) (SN03718).

3. Members' expenses

Summary

Since the 2010 General Election, responsibility for devising a scheme for and paying Members' expenses has rested with IPSA.

The Scheme of MPs' Business Costs and Expenses (Eleventh Edition) came into effect on 1 April 2019.²³ The main expense budgets provided in IPSA's scheme and the maximum amounts that Members can claim in 2019/20 are set out below. Because there was an early general election in the course of the financial year, IPSA also set pro-rated budget limits for MPs who lost their seat or left Parliament in December 2019 (nine months), and for those elected who were not MPs in the previous Parliament (four months)²⁴:

	Full year	4 months#	9 months^
Accommodation Costs			
London area (rent)	£22,920	£7,640	£17,190
Outside London area (rent)	£16,010	£5,337	£12,008
Own home*	£5,270	£1,757	£3,953
Caring responsibility (per dependant)	£5,435	£1,812	£4,076
London Area Living Payment	£4,030	£1,343	£3,023
London Area Living Payment (addition)	£1,430	£477	£1,073
Staffing Costs			
London Area MPs	£166,930	£55,643	£125,198
non-London Area MPs	£155,930	£51,977	£116,948
Office Costs			
London Area MPs	£28,270	£15,423	£21,203
non-London Area MPs	£25,430	£14,477	£19,073
Start-up supplement	£6,000	##	£6,000
Winding-up Costs			
London Area MPs	£57,150	£57,150	£57,150
non-London Area MPs	£53,950	£53,950	£53,950

* available to Members who own their own home, to cover costs such as utility bills and council tax

4 months' prorated budgets for new MPs

included in Office Costs budgets above

^ 9 months prorated budgets for departing MPs

Following a consultation on the Scheme, IPSA introduced some changes to the Eleventh Edition of the Scheme. MPs are able to 'hire' IPSA equipment for election campaigning and IPSA has discretion to vary the 90-day period for submitting claims and the length of the winding-up period.²⁵

Following IPSA's statutory review of MPs' pay at the beginning of the 2017 Parliament, it made alterations to the arrangements for MPs who lost their seats at a general election.²⁶ It

²³ Independent Parliamentary Standards Authority, [The Scheme of MPs' Business Costs and Expenses 2019-20](#) (Eleventh Edition), 13 March 2019, HC 2028 2017-19

²⁴ Independent Parliamentary Standards Authority, [Summary of budgets available in 2019-20](#) [for existing and new MPs]; and [Departing MP Budget Summary 2019-20](#), both undated

²⁵ Independent Parliamentary Standards Authority, [Consultation on minor changes to the Scheme of MPs' Business Costs and Expenses](#), 28 January 2019; Independent Parliamentary Standards Authority, [Minor changes to the Scheme of MPs' Business Costs and Expenses: Consultation Report](#), May 2019

²⁶ Independent Parliamentary Standards Authority, [Review of MPs' remuneration: A consultation](#), May 2018; and [Review of MPs' remuneration: Consultation report](#), October 2018 (updated June 2019)

introduced a new Winding-Up Payment for MPs – two months' net salary for MPs defeated at any general election and for MPs standing down at an early general election.²⁷

3.1 Introduction

Under section 5 of the *Parliamentary Standards Act 2009* IPSA has a statutory duty to prepare and regularly review and revise an allowances scheme for Members of Parliament. In fulfilling that statutory duty it is required to consult:

- (a) the Speaker of the House of Commons,
- (b) the Committee on Standards in Public Life,
- (c) the Leader of the House of Commons,
- (d) any committee of the House of Commons nominated by the Speaker,
- (e) members of the House of Commons,
- (f) the Review Body on Senior Salaries,
- (g) Her Majesty's Revenue and Customs,
- (h) the Treasury, and
- (i) any other person the IPSA considers appropriate.²⁸

IPSA is also responsible for paying expenses under the Scheme it prepares.

IPSA's first *MPs' Expenses Scheme* came into force on the day after the 2010 General Election. Previously, Members' expenses (known as allowances) were paid in accordance with resolutions of the House of Commons.²⁹

The first three editions of IPSA's expenses schemes were titled *MPs' Expenses Scheme*; the fourth to eighth editions (2012/13 to 2016/17) were the *MPs' Scheme of Business Costs and Expenses*; and from the ninth edition, in 2017/18, they have been titled *The Scheme of MPs' Business Costs and Expenses*.

3.2 Reviews of the MPs' Expenses Scheme

In the Foreword to the first edition of *The MPs' Expenses Scheme* (March 2010), IPSA confirmed that it would revise the MPs' Expenses Scheme annually.³⁰

From the outset, IPSA has usually undertaken an annual review of its Expenses Scheme. In addition, its major review of pay and pensions in 2012 and 2013 recommended some changes to the Expenses Scheme

²⁷ IPSA, Eleventh Edition, paras 8.12-8.13

²⁸ *Parliamentary Standards Act 2009* (chapter 13), section 5(4)

²⁹ Further information on the operation of the House of Commons Scheme is given in House of Commons Library Research Paper RP 12/29, [Members' pay and expenses – current rates and a review of developments since 2009](#), 22 May 2012, and earlier Research Papers on Members' pay and allowances. A list of previous research papers is given in Appendix 5.

³⁰ Independent Parliamentary Standards Authority, *The MPs' Expenses Scheme*, 29 March 2010, HC 501 2009-10, p3

with effect from the 2015 General Election. The Eighth Edition (2016/17) was not preceded by a review exercise. In the foreword, the IPSA Board wrote:

As changes were only made which had been agreed following previous consultations or as a result of removing redundant rules, there was no need to consult on this year's edition of the Scheme.³¹

Consultation on minor changes (January 2019) and consequences for the Scheme of the statutory review of pay (May 2018)

IPSA undertook a consultation on the Scheme in January and February 2019. It proposed introducing a 'hire' fee to allow MPs to use equipment, purchased using IPSA funds (i.e. for their parliamentary duties) in an election campaign; allowing IPSA discretion to vary the 90-day period for submitting claims in exceptional circumstances; and to vary the length of the winding-up period.³²

Following the consultation, these changes were confirmed.³³

IPSA also introduced a winding-up payment, over and above winding-up costs and the Loss of Office Payment. In its statutory review of MPs' pay at the beginning of the 2017 Parliament, IPSA proposed an increase in the amount of financial support available to an MP who lost their seat at a general election.

It noted that it could not pay a salary to individuals who are no longer an MP despite their working to wind-up their offices. It proposed:

- to provide an amount equal to two months' net salary to former MPs who had lost their seats;
- the amount would be paid at the beginning of the winding-up period;
- it would not affect the loss of office payment (LOOP); and
- the two-year period of service would still be required to qualify for LOOP.³⁴

It asked whether "former MPs who stand down at a snap General Election, but not at a planned General Election, should also be entitled to the equivalent of two months' net salary".³⁵

IPSA decided to introduce the new winding-up payment following the consultation; and also to remove a previous provision that allowed a

³¹ Independent Parliamentary Standards Authority, [The MPs' Scheme of Business Costs and Expenses 2016-17](#) (Eighth Edition), 22 March 2016, HC 854 2015-16, p3

³² Independent Parliamentary Standards Authority, [Consultation on minor changes to the Scheme of MPs' Business Costs and Expenses](#), 28 January 2019

³³ Independent Parliamentary Standards Authority, [Minor changes to the Scheme of MPs' Business Costs and Expenses: Consultation Report](#), May 2019

³⁴ Independent Parliamentary Standards Authority, [Review of MPs' remuneration: A consultation](#), May 2018, paras 71-73

³⁵ *Ibid*, para 77

partial payment of LOOP to cover an MP's salary to the end of the month of the general election.³⁶

There was some controversy over the difference between the increase in Members' salaries from 1 April 2019 (2.7%) and the increase in the Staffing Costs budgets (1.5%). The Speaker and the Chair of IPSA exchanged letters on the matter.³⁷

3.3 MPs' Expenses Scheme Eleventh Edition

IPSA's [*The Scheme of MPs' Business Costs and Expenses 2019-20*](#) (Eleventh Edition) was published on 13 March 2019. Its provisions came into force on 1 April 2019.

The Scheme "is intended to ensure that MPs' use of taxpayers' money is well-regulated and that MPs are resourced appropriately to carry out their parliamentary functions".³⁸

The Scheme sets out fundamental principles; the process for making claims, determining and reviewing claims; and the general conditions of the Scheme. The fundamental principles (see Box 3) were revised following the 2016 review of the Scheme, and have not been altered since then.³⁹

Box 3: Fundamental principles of IPSA's *The Scheme of MPs' Business Costs and Expenses* (April 2019)

For MPs

In claiming for public funds through the Scheme, MPs must adhere to the following principles.

1. **Parliamentary:** MPs may only claim for expenditure for parliamentary purposes.
2. **Value for Money:** MPs must have regard to value for money when making claims.
3. **Accountability:** MPs are legally responsible for all money claimed and for managing their budgets and their staff.
4. **Probity:** When making claims, MPs must adhere to the MPs' Code of Conduct, including the seven principles of public life.

For IPSA

IPSA's role as an independent regulator is to resource MPs appropriately to carry out their parliamentary functions and support them in making eligible claims. In administering the Scheme we will adhere to the following principles:

5. **Diversity:** IPSA will take account of MPs' diverse working arrangements and treat MPs fairly, so that they are not disadvantaged or advantaged financially because of the Scheme.
6. **Transparency:** IPSA will operate transparently, making information about MPs' expenditure accessible to the public.
7. **Value for money:** IPSA will administer the Scheme efficiently and cost-effectively.
8. **Proportionality:** IPSA will regulate proportionately and effectively.⁴⁰

³⁶ [Review of MPs' remuneration: Consultation report](#), October 2018 (updated June 2019), paras 78-85

³⁷ [Letter from the Speaker to the Chair of IPSA](#), 11 March 2019; [Letter from the Chair of IPSA to the Speaker](#), 25 March 2019

³⁸ IPSA, Eleventh Edition, p7

³⁹ Independent Parliamentary Standards Authority, [Review of the Scheme of MPs' Business Costs and expenses and IPSA's publication policy – Consultation Report and Equality Impact Assessment](#), March 2017, para 22

⁴⁰ IPSA, Eleventh Edition, p8

The Scheme then provides details and conditions of the expenses and business costs that IPSA will reimburse, along with budgets for different elements within the Scheme. Some guidance is provided within the Scheme. The following sections of this Briefing Paper provide a brief overview of the budgets within the Scheme, including the current budget limits.

A summary of the maximum budgets for expenses under IPSA's Scheme since 2010, is given in Appendix 1.

3.4 Accommodation Costs

Under the IPSA scheme, the Accommodation Costs budget "is designed to meet costs incurred by MPs as a result of working from two permanent locations". Accommodation Costs are not payable to London Area MPs – the Scheme defines the London Area in terms of constituencies⁴¹ – or those who occupy 'grace and favour' accommodation.⁴²

Accommodation Costs will only cover hotel accommodation;⁴³ or rental payments and associated costs; or, for MPs who own their own property, associated costs.⁴⁴ Associated costs include, for example, utility bills, council tax and the "purchase, installation and maintenance of routine security measures". Associated costs exclude cleaning; gardening; the purchase or maintenance of furniture; home contents insurance; television services; and television licences.⁴⁵

The scheme sets budgets for non-London Area MPs renting in the London area and at another rate for those renting in non-London Area constituencies. Prior to the 2017/18 Scheme, budgets were set at five different rates for those renting in non-London Area constituencies. In its report on its 2016 consultation, IPSA explained that the consolidation into a single rate "helps simplify the Scheme and provides MPs who rent outside of London with more flexibility"⁴⁶

⁴¹ It identifies 96 constituencies as being in the London Area (see Appendix 2). Thirty one constituencies that were defined as London Area seats in 2010/11 were re-defined as non-London Area in 2011/12 and a further seat was removed from the list in 2012/13 (see below)

⁴² IPSA, *Eleventh Edition*, paras 4.1-4.2

⁴³ "MPs may only claim for hotel costs from the accommodation costs budget if they have informed IPSA of their intention not to claim for rental property or associated costs" [IPSA, *Eleventh Edition*, para 4.9]

⁴⁴ IPSA, *Eleventh Edition*, para 4.3

⁴⁵ IPSA, *Eleventh Edition*, paras 4.4-4.5

⁴⁶ Independent Parliamentary Standards Authority, [Review of the Scheme of MPs' Business Costs and expenses and IPSA's publication policy – Consultation Report and Equality Impact Assessment](#), March 2017, para 207

For Members renting in the London area, the annual Accommodation Costs budget for 2019/20 is **£22,920**.⁴⁷

For Members renting outside London, the Accommodation Costs budget is lower: for 2019/20 it is **£16,010**.⁴⁸

Following the December 2019 general election, IPSA calculated reduced (pro rata) budgets for new and defeated or retiring MPs.⁴⁹ For Accommodation Costs, these were:

	New MPs (4 months)	Departing MPs (9 months)
London Area (rent)	£7,640	£17,190
Outside London Are (rent)	£5,337	£12,008

For Members renting in the London area, the annual Accommodation Expenditure budget for 2019/20 is £22,920.

The Scheme sets a separate budget for associated expenditure for those who own their own second home. The budget was retained but reduced as a result of IPSA’s 2016 consultation.⁵⁰ After the 2017 election, the rate was reduced to £5,000 per annum,⁵¹ from £8,850 per annum. For 2019/20, the budget limit is £5,270.⁵² The reduced amount for new MPs is £1,757; and for departing MPs, it is £3,953.

The Scheme provides that MPs who share rental accommodation will be entitled to the full Accommodation Costs budget.⁵³ Reduced limits had applied to Members who shared accommodation in 2010/11.⁵⁴ But since April 2011, Members who share have been entitled to the full Accommodation Costs budget.⁵⁵

Financial support for MPs’ families

Members with caring responsibilities can claim additional budgets: eligibility depends on circumstances. In 2019/20, the additional budget limit is £5,345 per dependant, unchanged from 2017/18.

The reduced amount for new MPs is £1,812; and for departing MPs it is £4,076.

The 2017/18 change was the first increase since the budget was introduced at £2,425 per dependant, in 2010/11, when IPSA first assumed responsibility for Members’ expenses. A brief review of the changes can be found on page 23 of the previous edition of this

⁴⁷ IPSA, *Eleventh Edition*, para 4.10

⁴⁸ IPSA, *Eleventh Edition*, para 4.11

⁴⁹ Independent Parliamentary Standards Authority, [Summary of budgets available in 2019-20](#) [for existing and new MPs]; and [Departing MP Budget Summary 2019-20](#), both undated

⁵⁰ Independent Parliamentary Standards Authority, [Review of the Scheme of MPs’ Business Costs and expenses and IPSA’s publication policy – Consultation Report and Equality Impact Assessment](#), March 2017, para 216

⁵¹ IPSA, *Ninth Edition*, March 2017, HC 1024 2016-17, para 4.15

⁵² IPSA, *Eleventh Edition*, para 4.15

⁵³ IPSA, *Eleventh Edition*, paras 4.26-4.27

⁵⁴ Independent Parliamentary Standards Authority, *The MPs’ Expenses Scheme: Second Edition*, 26 July 2010, HC 405 2010-12, paras 5.14-5.15

⁵⁵ Independent Parliamentary Standards Authority, *Annual Review of MPs’ Expenses Scheme 2011*, “Report on the Consultation of January-February 2011”, March 2011, paras 7.15-7.16

briefing paper ([Members' pay and expenses and ministerial salaries 2018/19](#), CBP 8535).

Under the Scheme in 2019/20 caring responsibilities are defined in the following way:

For the purposes of this Scheme, MPs will be deemed to have caring responsibilities where they:

- a. have parental responsibility for a dependent child of up to the age of 18.
- b. are the primary carers for a family member in receipt of one of the following benefits:
 - i. Attendance Allowance;
 - ii. Disability Living Allowance at the middle or highest rate for personal care;
 - iii. Personal Independence Payment at the standard or enhanced rate for daily living; or
 - iv. Constant Attendance Allowance at or above the maximum rate with an Industrial Injuries Disablement Benefit, or basic (full day) rate with a War Disablement Pension.⁵⁶

Hotel costs

In 2019/20, Members choosing not to rent accommodation can claim for hotel accommodation, within the following limits:

In the London Area	£175 per night
Elsewhere in the United Kingdom	£150 per night ⁵⁷

MPs may only claim for hotel costs from the accommodation costs budget if they have informed IPSA of their intention not to claim for rental property or associated costs.⁵⁸

3.5 London Area Living Payment

London Area MPs may claim the London Area Living Payment (LALP).

In 2019/20, the LALP is limited to **£4,030** per financial year.⁵⁹

Following the December 2019 general election, IPSA calculated reduced (pro rata) budgets for new and defeated or retiring MPs.⁶⁰ For the LALP, the rates were £1,343 and £3,023, respectively.

Formerly non-London Area MPs were able to claim LALP, in place of accommodation costs but it also prevented them from claiming some travel costs. The 2017/18 Scheme provided that from 1 April 2017, until the next general election, only those who were claiming before

The London Area Living Payment of £4,030 is available to all London Area MPs.

A further £1,430 is available to London Area MPs outside Greater London.

Neither group claims Accommodation Expenses.

⁵⁶ IPSA, *Eleventh Edition*, para 3.17

⁵⁷ IPSA, *Eleventh Edition*, para 4.17

⁵⁸ IPSA, *Eleventh Edition*, para 4.9

⁵⁹ IPSA, *Eleventh Edition*, para 5.4

⁶⁰ Independent Parliamentary Standards Authority, [Summary of budgets available in 2019-20](#) [for existing and new MPs]; and [Departing MP Budget Summary 2019-20](#), both undated

that date were able to continue to do so. But since the 2017 general election only London Area MPs have been able to claim the payment.⁶¹

There are currently 96 seats in the London Area. The number of constituencies in the London area was reduced in 2011/12, from 128 to 97. Additionally, from 2011/12, MPs representing certain constituencies (outside Greater London) were able to claim a supplement to the London Area Living Payment.⁶² A further seat was removed from the London Area in April 2012.

A list of London Area constituencies is given in Appendix 2. It is annotated to show the reduction in the number of London Area constituencies, in 2011 and 2012, and the constituencies which qualify for the additional payment.

In 2019/20 the London Area MPs outside Greater London are able to claim an additional **£1,430** per annum in London Area Living Payment.⁶³

Following the 2019 general election, reduced amounts were also calculated for this additional payment. They were £477 for new MPs (four months) and £1,073 for departing MPs (nine months).

3.6 Travel and Subsistence

In its 2016 review, IPSA sought to simplify rules on travel. From April 2017, it removed restrictions on staff travel, in the UK; removed the limit of three return trips by Members to European Parliaments or institutions; and amended the description of diverted journeys.

The 2019/20 Scheme provides that:

Travel and Subsistence claims may be made for the costs of travel, and travel-related subsistence incurred by MPs or others, which are in support of the MP's parliamentary functions.⁶⁴

The Scheme allows MPs to claim for journeys by public transport, private transport, taxis and hire cars; and provides that IPSA will pay claims for travel and subsistence for the following categories of journey:

- a. journeys between Westminster and anywhere in MPs' constituencies, except, in the case of London Area MPs, their residences;
- b. journeys anywhere in MPs' constituencies, except between their residences and constituency offices;
- c. extended UK travel;
- d. journeys to and from other states in Europe. (No other international travel may be claimed, except under the

⁶¹ Independent Parliamentary Standards Authority, [Review of the Scheme of MPs' Business Costs and expenses and IPSA's publication policy – Consultation Report and Equality Impact Assessment](#), March 2017, paras 63-67

⁶² Independent Parliamentary Standards Authority, *The MPs' Expenses Scheme: Second Edition*, 26 July 2010, HC 405 2010-12, Part 6; Independent Parliamentary Standards Authority, *The MPs' Expenses Scheme: Third Edition*, May 2011, HC 954 2010-12, Chapter 5

⁶³ IPSA, *Eleventh Edition*, para 5.5

⁶⁴ IPSA, *Eleventh Edition*, para 9.1

circumstances described in paragraph 10.11, when Parliament is recalled.)⁶⁵

The Scheme's provisions for extended travel cover travel outside the constituency and non-routine journeys between the constituency and Westminster or a London Area residence.⁶⁶

Motor mileage rates are set out in the Scheme.⁶⁷ The rates for 2019/20 are:

Motor mileage rate	To cover business travel by private motor car	45p per mile for the first 10,000 miles 25p per mile thereafter
Motor cycle rate	To cover business travel by private motor cycle	24p per mile
Bicycle mileage rate	To cover business travel by private cycle	20p per mile

The IPSA Scheme makes provision for travel by Members' staff and family members.

Staff can "claim for the same travel costs as MPs, with the exception of journeys to and from other states in Europe".⁶⁸

Previous restrictions, up to and including the Eighth Edition (2016/17), on travel by dependants and those who share caring responsibilities,⁶⁹ have been lifted. The 2019/20 Scheme makes the following provisions:

9.7 Where MPs have caring responsibilities as described in paragraph 3.17, they may claim for journeys by their dependants between their constituency and London.

9.8 MPs may also claim for journeys by their spouse or partner between their constituency and London.

9.9 Where a dependant needs assistance from a carer other than an MP's spouse or partner while travelling, the cost of the carer's journey may also be claimed.

9.10 MPs' dependants and spouses or partners, and other carers must be registered with IPSA before travel can be claimed for them.⁷⁰

The Scheme also provides for subsistence expenses in certain circumstances, for Members, for carers and for staff. When travelling and staying away from either home or the London Area as a result of parliamentary functions, expenses for meals (within limits) can be claimed.⁷¹

Specific provision was previously made for late sittings of the House of Commons.⁷² Now (since 2017/18) the Scheme provides for taxi travel

⁶⁵ IPSA, *Eleventh Edition*, para 9.3

⁶⁶ IPSA, *Eleventh Edition*, para 9.4

⁶⁷ IPSA, *Eleventh Edition*, para 9.17. In 2010/11, they were included in guidance

⁶⁸ IPSA, *Eleventh Edition*, para 9.11

⁶⁹ IPSA, *Eighth Edition*, HC 854 2015-16, paras 9.18-9.25

⁷⁰ IPSA, *Eleventh Edition*, paras 9.7-9.10

⁷¹ IPSA, *Eleventh Edition*, paras 9.22-9.32

⁷² IPSA, *Eighth Edition*, HC 854 2015-16, paras 9.37-9.39

or hotel accommodation as a result of “working late on parliamentary matters”.⁷³

Limits for subsistence rates are set out in Appendix 1.

3.7 Staffing Costs

From 1 April 2012, IPSA introduced separate limits on staffing costs budgets for London Area and non-London Area Members. It had concluded that this distinction was necessary in order to reflect that Member’s staff on IPSA contracts who worked in London were paid according to higher salary ranges than those based outside London.⁷⁴ From April 2019, the budget limits are **£166,930** for London MPs and **£155,930** for non-London Area MPs.⁷⁵

For London Area Members the Staffing Costs budget is £166,930

For non-London Area Members, the budget is £155,930

The maximum budget for Staffing Costs is based on Members employing four full-time equivalent members of staff.⁷⁶

As noted above (in section 3.2), there was some disquiet when a 1.5% increase in Staffing Costs budget was announced in March 2019, after MPs’ salaries had increased by 2.7%. IPSA were questioned by the Speaker’s Committee for IPSA by letter. Ruth Evans, IPSA’s chair, set out the reasons for a lower increase in staffing budgets, after noting the basis for changing MPs’ salaries. She stated that:

... adjustments to MPs’ staffing budgets are decided by IPSA’s Board on an annual basis, taking into account a range of factors including uptake, affordability and pay policies elsewhere in the public sector.

On this occasion, the Board decided to increase staffing budgets in line with the guidance issued to all government departments. This decision was taken in recognition of the budgetary constraints still impacting many parts of the public sector; but also in the knowledge that the staffing budget is sufficient for the vast majority of MPs to uplift individual staff members’ salaries by more than 1.5 per cent if they choose to do so.

The 1.5 per cent increase is a headline adjustment to the budget as a whole. It ensures that all MPs can give their staff at least a 1.5 per cent salary increase, but it does not limit the increase amount given to individual staff members. IPSA cannot award pay rises to individual staff members, because this is for MPs, as the employers, to do. Our data shows that the vast majority of MPs (we estimate around 88 per cent) can give their staff a 2.7 per cent increase next year to match the increase to MPs’ pay, if they choose to do so. In our letter to MPs, we will be advising them about their own individual staffing budget and their scope to give pay increases to their own staff.⁷⁷

⁷³ IPSA, *Eleventh Edition*, paras 9.33-9.35

⁷⁴ Independent Parliamentary Standards Authority, [Annual Review of the MPs’ Scheme of Business Costs and Expenses](#), 5 March 2012, HC 1868 2010-12, “Report on the Consultation of November-January 2011-12”, paras 2.29-2.31

⁷⁵ IPSA, *Eleventh Edition*, paras 7.12-7.13

⁷⁶ Independent Parliamentary Standards Authority, [Annual Review of the MPs’ Scheme of Business Costs and Expenses](#), 5 March 2012, HC 1868 2010-12, “Report on the Consultation of November-January 2011-12”, para 2.45

⁷⁷ [Letter from the Chair of IPSA to the Speaker](#), 25 March 2019

Following the December 2019 general election, IPSA calculated reduced (pro rata) budgets for new and defeated or retiring MPs.⁷⁸ For Staffing Costs, these were:

	New MPs (4 months)	Departing MPs (9 months)
London Area MPs	£55,643	£125,198
non-London Area MPs	£51,977	£116,948

The 2019/20 Scheme provides that the Staffing Expenditure budget is available to meet the following costs relating to staffing:

- a. staff salaries, employers' contributions to National Insurance and employers' contributions to pension schemes;
- b. payments for pooled staffing services, which provide research, briefing and drafting services to groups of MPs, and have an arrangement with IPSA in place;
- c. payments for bought-in services, where staffing services are provided by companies, self-employed individuals and others not on the MP's payroll;
- d. overtime payments, to the extent that these are specified in staff terms and conditions;
- e. payments for childcare vouchers for staff, cycle-to-work schemes, or other payments by way of salary sacrifice;
- f. reward and recognition payments, except where the employee is a connected party;
- g. one-off health and welfare costs associated with provision of staffing support, such as eyesight tests and occupational health assessments;
- h. costs associated with apprenticeships that meet the standards of the National Apprenticeship Service;
- i. the incidental expenses of volunteers;
- j. where the MP expects the office costs budget to be exhausted, staff training costs.⁷⁹

IPSA has made provision to allow Members to employ interns "provided that the employment conditions comply with the requirements of National Minimum Wage legislation".⁸⁰

Employment of family members

During the course of 2017/18 changes were applied to the rules on employing family members. From the outset of the Scheme, in 2010, MPs were able to employ one "connected party". Since the general election of 2017, IPSA has no longer paid the salaries and other costs of any new employees who are connected parties.⁸¹

⁷⁸ Independent Parliamentary Standards Authority, [Summary of budgets available in 2019-20](#) [for existing and new MPs]; and [Departing MP Budget Summary 2019-20](#), both undated

⁷⁹ IPSA, *Eleventh Edition*, para 7.4

⁸⁰ IPSA, *Eleventh Edition*, para 7.10

⁸¹ The Scheme makes provision for individuals who become connected parties

For more detail of the background to the changes, see p27 of [Members' pay and expenses and ministerial salaries 2018/19](#), CBP08535, 27 March 2019.

When the Committee on Standards in Public Life (CSPL) reviewed Members' allowances in 2009, it recommended that

MPs should no longer be able to appoint members of their own families to their staff and pay them with public funds. Those currently employing family members should be able to continue to do so for the life of one further Parliament or five years, whichever is the longer.⁸²

IPSA consulted on this question in 2009, as it prepared the First Edition of its Scheme. IPSA proposed "to prohibit the use of public funds in the employment of family members by MPs". IPSA reported that although a total ban was supported by many respondents, the proposal for a total ban was questioned by MPs and their staff, trade unions and academics. Following the consultation, IPSA confirmed that "We are persuaded that the case for prohibition has not been made".

IPSA concluded that "continued employment of family members and connected parties can command that confidence" subject to a number of safeguards, including a limit of "one family member or connected party to be employed for each MP".⁸³

From the outset, its scheme limited Members to employing one "connected party" (see Box 4), unless arrangements to employ more than one such person were in place when the Scheme came into effect.

Box 4: IPSA's definition of a connected person (2010)

34. We define a "connected party" as:

- (a) a spouse, civil partner or cohabiting partner of the member;
- (b) a parent, child, grandparent, grandchild, sibling, uncle, aunt, nephew or niece of the member or of a spouse, civil partner or cohabiting partner of the member; or
- (c) an individual or organisation where there exists a relationship as set out in the Companies Act 2006.⁸⁴

IPSA's definition of a connected person (2017)

3.19 For the purposes of this Scheme, a connected party is defined as:

- a. a spouse, civil partner or cohabiting partner of the MP;
- b. parent, child, grandparent, grandchild, sibling, uncle, aunt, nephew or niece of the MP or of a spouse, civil partner or cohabiting partner of the MP; or
- c. a body corporate, a firm or a trust with which the MP is connected, as defined in section 252 of the Companies Act 2006.⁸⁵

⁸² Committee on Standards in Public Life, Twelfth Report, [MPs' expenses and allowances: Supporting Parliament, safeguarding the taxpayer](#), November 2009, Cm 7724, Recommendation 15

⁸³ Independent Parliamentary Standards Authority, [Report on the consultation: MPs' expenses: a consultation](#), section 6 [This document was included as an Annex to the First Edition of *The MPs' Expenses Scheme*, HC 501 2009-10]

⁸⁴ Independent Parliamentary Standards Authority, *The MPs' Expenses Scheme*, 29 March 2010, HC 501 2009-10, Summary of the Scheme, para 34

⁸⁵ IPSA, *Ninth Edition*, March 2017, HC 1024 2016-17, para 3.19

In its May 2016 consultation, IPSA sought views on the following question:

Should we make any changes to the practice of employment by MPs of connected parties? If so, when should we introduce any new arrangements?⁸⁶

In March 2017, IPSA reported the outcome of its consultation. It reported views in favour of and against change. It noted that it was not bound by its previous decisions.⁸⁷

Returning to 'first principles' it reconsidered the position and decided "to end funding for new employees who are connected parties, from the next General Election".⁸⁸

IPSA also stated that existing arrangements at the time of the next general election (which in the event was the 2017 general election) would be honoured.⁸⁹

IPSA confirmed that if an individual became a connected party after the 2017 general election, "either by becoming a spouse, civil or cohabiting partner or a close business partner of the MP", it would continue to honour their contracts for a period of two years.⁹⁰

3.8 Office Costs

In 2011/12 a single budget for Office Costs Expenditure (OCE) replaced separate budgets for Constituency Office Rental Expenditure and General Administrative Expenditure. The Office Costs budget is described in the Scheme:

6.1 The office costs budget is provided to meet the costs of renting, equipping and running MPs' constituency offices, surgeries, and other activities which support their parliamentary functions, where these costs are not covered by other budgets under the Scheme.

[...]

6.4 MPs are entitled to exercise reasonable discretion over claims for items that meet the purposes of the office costs budget, provided that the claims adhere to the fundamental principles and general conditions of the Scheme. They must also observe the conditions set out in paragraph 6.5.

6.5 IPSA will not pay claims for any of the following:

- a. alcoholic drinks;
- b. stationery provided by the House of Commons;
- c. newsletters;

For London Area Members the Office Costs Expenditure budget is £28,270

For non-London Area Members the budget is £25,430

⁸⁶ Independent Parliamentary Standards Authority, [Review of the MPs' Scheme of Business Costs and Expenses and IPSA's publication policy: A Consultation](#), May 2016, paras 55-59 and Annex D

⁸⁷ Independent Parliamentary Standards Authority, [Review of the Scheme of MPs' Business Costs and Expenses and IPSA's publication policy – Consultation Report and Equality Impact Assessment](#), March 2017, paras 123-131

⁸⁸ *Ibid*, para 132

⁸⁹ *Ibid*, para 137

⁹⁰ *Ibid*, para 138; see also IPSA, *Eleventh Edition*, para 3.24

- d. funding of any material, other than websites, that contains a party political logo or emblem;
- e. personal accountancy or tax advice.⁹¹

Under the Scheme, MPs can claim office costs whether or not they rent an office; and they can claim for more than one office, as long as they stay within budget.⁹² In 2019/20, a budget limit of **£28,270** applies for London MPs and **£25,430** for non-London Area MPs.⁹³

Following the December 2019 general election, IPSA calculated reduced (pro rata) budgets for new and defeated or retiring MPs.⁹⁴ For Office Costs, these were:

	New MPs (4 months)	Departing MPs (9 months)
London Area MPs	£15,423*	£21,203
non-London Area MPs	£14,477*	£19,073

* including the £6,000 start-up supplement

Start-up supplement

A new expenditure heading, Start-up Expenditure, was introduced in 2011/12. Initially it was introduced as a stand-alone budget of £6,000 and was available for 365 days after the new MP was elected.⁹⁵

From the 2017/18 edition of the Scheme, it became a supplement of £6,000 to the office costs budget. It is available “to new MPs for the duration of the financial year in which they were elected”. If an MP is elected in the last three months of a financial year, IPSA “will consider rolling forward all or part” of the supplement to the following financial year.⁹⁶

3.9 Winding-up costs

IPSA state that “the winding-up budget is designed to meet the costs of completing the outstanding parliamentary functions of a former MP”:

8.2 The winding-up budget is available to former MPs following a general election either because they have not stood for election, or because they have lost their seat at the election. It is also available to those who cease to be MPs during a Parliament.

8.3 Former MPs may claim for winding-up costs incurred for a maximum of two months after they cease to be MPs.⁹⁷

For London Area Members the Winding-up Expenditure budget is £57,150

For non-London Area Members the budget is £53,950

⁹¹ IPSA, *Eleventh Edition*, paras 6.1 and 6.4-6.5

⁹² IPSA, *Eleventh Edition*, paras 6.2-6.3

⁹³ IPSA, *Eleventh Edition*, paras 6.10-6.11

⁹⁴ Independent Parliamentary Standards Authority, [Summary of budgets available in 2019-20](#) [for existing and new MPs]; and [Departing MP Budget Summary 2019-20](#), both undated

⁹⁵ See, for example, IPSA, *Eighth Edition*, HC 854 2015-16, paras 8.1-8.4

⁹⁶ IPSA, *Ninth Edition*, March 2017, HC 1024 2016-17, paras 6.12-6.14 and IPSA, *Eleventh Edition*, paras 6.12-6.14

⁹⁷ IPSA, *Eleventh Edition*, paras 8.1-8.3

The costs of staff redundancy payments are met from the contingency fund.⁹⁸

The limit for Winding-Up Expenses in 2010/11 was based on "three months' worth of office-related budgets (Constituency Office Rental Expenditure, General Administrative Expenditure and Staffing Expenditure)".⁹⁹ (In 2010/11, the limit did not discriminate between London and non-London MPs.¹⁰⁰) IPSA concluded that this level appeared to be appropriate. However, in its report on the consultation (published in March 2011), IPSA noted that this could cause difficulties in some cases and agreed that from April 2011, a higher budget would be available to London Area MPs.¹⁰¹

Since the Fourth Edition of the Scheme (from April 2012), MPs have been able to "continue to claim for rental payments and/or associated expenditure for two months after leaving Parliament. These costs will be met from the contingency fund".¹⁰² (This provision was not included in the Third Edition of the Scheme.)

The budgets of £57,150 (London Area MPs) and £53,950 (non-London Area MPs) have been unchanged since 2014/15.

Following its consultation on the Scheme in January and February 2019, IPSA amended the rules relating to winding-up costs, to take account of the effect of an MP losing their seat following a recall petition. The following paragraph was added to the Scheme:

IPSA may make provision to extend the winding-up period beyond two months in exceptional circumstances or in the event an MP has been recalled and is contesting a by-election to return to Parliament.¹⁰³

In its consultation exercise, IPSA noted that there was no provision in the Scheme for IPSA to extend the winding-up period in circumstances that fall outside a General Election. It said that this might occur when an MP was subject to a successful recall petition and therefore made to vacate their seat. Without changing the Scheme, the winding up period would have begun on the day the seat became vacant. If the former MP stood in the subsequent by-election, they could find that the winding up period had ended before the by election.

IPSA believed that it would be "advantageous for IPSA to have discretion to extend the two-month winding-up period in these or similar circumstances". It continued:

⁹⁸ IPSA, *Eleventh Edition*, para 8.7

⁹⁹ Independent Parliamentary Standards Authority, *Annual Review of MPs' Expenses Scheme 2011*, "Report on the Consultation of January-February 2011", March 2011, para 9.3

¹⁰⁰ Independent Parliamentary Standards Authority, *The MPs' Expenses Scheme: Second Edition*, 26 July 2010, HC 405 2010-12, paras 11.1-11.3 and 11.5

¹⁰¹ Independent Parliamentary Standards Authority, *Annual Review of MPs' Expenses Scheme 2011*, "Report on the Consultation of January-February 2011", March 2011, paras 9.4-9.5

¹⁰² IPSA, *Fourth Edition*, HC 1868 2010-12, para 8.9; IPSA, *Tenth Edition*, March 2018, HC 876 2017-19, para 8.7. Before the transitional arrangements for MPs who had mortgages ended in August 2012, mortgage interest payments were also covered

¹⁰³ IPSA, *Eleventh Edition*, para 8.4

For an MP who was subject to a successful recall petition, this would mean that the winding-up period could start from the date their seat was made vacant – and therefore they would not have access to any of the regular staffing, office, or other budgets provided to MPs – but they could opt to wait until the outcome of a subsequent by-election to complete tasks such as giving notice to their staff and landlords.

IPSA acknowledged that this could lead to increased costs but believed that “on balance, this would result in a much more manageable situation administratively, and a fairer one for an MP’s member of staff”.

In the consultation, IPSA asked:

Do you agree that the Scheme should be amended so that IPSA has discretion to extend the winding-up period in exceptional circumstances?¹⁰⁴

Following the consultation, IPSA confirmed that:

We have made this change to the Scheme. The revised rule is at paragraph 8.4 of the 2019-20 Scheme. This is a pragmatic change which would allow IPSA to deal with exceptional circumstances in a formal and transparent way.¹⁰⁵

3.10 Winding-up payment

From April 2019, a new winding-up payment was introduced by IPSA. The Scheme states that:

8.12 MPs will be eligible to receive a winding-up payment if one of the following conditions apply:

- a. they lose their seat at a general election, meaning that they were an MP on the day before the dissolution of Parliament and a candidate for re-election for the same seat, but not re-elected; or
- b. they stand down at a general election which occurs before the end of a fixed parliamentary term, as set out in the Fixed Term Parliaments Act 2011.

8.13 A winding-up payment is equivalent to the sum of two months’ salary, net of tax and National Insurance contributions. This is a single amount applicable to all eligible MPs, calculated using the MPs’ basic salary during the financial year in which the election occurs and standard tax and National Insurance deductions. It will be paid at the beginning of the two-month winding-up period.¹⁰⁶

Background

In its *Review of MPs’ remuneration*, following the 2017 general election, IPSA considered that there was “a case for increasing the financial support available for former MPs who have lost their seats at an election, while they are winding up their parliamentary affairs”.

It proposed:

¹⁰⁴ Independent Parliamentary Standards Authority, [Review of MPs’ remuneration: A consultation](#), May 2018

¹⁰⁵ Independent Parliamentary Standards Authority, [Review of MPs’ remuneration: Consultation report](#), October 2018 (updated June 2019), para 27

¹⁰⁶ IPSA. *Eleventh Edition*, paras 8.12.-8.13

... to provide an amount equal to two months' net salary for former MPs who have lost their seats. This would provide some income during the period when they are still expected to work on winding up their affairs, and when they may not be able to search for or begin any new employment.

In the consultation exercise, it asked:

Do you think that an amount equal to two months' net (take home) salary should be paid in addition to Loss of Office payments for former MPs who have lost their seats?

It also noted that MPs who stood down at an early general election stood down with a lot less notice than those who left Parliament after a full five-year term, so it also asked:

Do you think that former MPs who stand down at a snap General Election, but not at a planned General Election, should also be entitled to the equivalent of two months' net salary?¹⁰⁷

In its review of the consultation, IPSA said that it had decided to implement a winding-up payment. It commented that:

We believe it is fair to recognise that these former MPs are required to work for up to two months after the election to wind up their offices. This new payment will also be introduced for MPs who stand down at a snap General Election.¹⁰⁸

3.11 Loss of Office Payment

IPSA initially made no provision for payments to Members who left Parliament, in the First Edition of its *MPs' Expenses Scheme*. The House of Commons had previously provided a Resettlement Grant (determined by age and length of service) to all Members who left the House at a general election.

An interim resettlement payment for Members who lost their seat at the General Election, scheduled for 7 May 2015, was introduced by the Fourth Edition (covering the financial year 2012/13) of IPSA's Scheme. It was retained for the rest of the 2010 Parliament, and provided "one calendar month's salary (at the rate payable to MPs immediately before polling day) for each completed year of service subject to a maximum payment equal to six months' salary".¹⁰⁹

From the beginning of the 2015 Parliament, the interim arrangement has been replaced by a permanent Loss of Office Payment. The 2019/20 Scheme provides that:

8.14 MPs will be eligible to receive a loss-of-office payment if they lose their seat at a general election, meaning that they were an MP on the day before the dissolution of Parliament and a candidate for re-election for the same seat, but not re-elected.

8.15 The amount of the loss-of-office payment will be equal to double the prevailing statutory redundancy entitlement.¹¹⁰

¹⁰⁷ Independent Parliamentary Standards Authority, [Review of MPs' remuneration: A consultation](#), May 2018

¹⁰⁸ Independent Parliamentary Standards Authority, [Review of MPs' remuneration: Consultation report](#), October 2018 (updated June 2019), para 27

¹⁰⁹ IPSA, *Seventh Edition*, HC 1078 2014-15, paras 8.13-8.14

¹¹⁰ IPSA, *Eleventh Edition*, paras 8.14-8.15

The guidance within the Scheme interprets these provisions:

The effect of paragraphs 8.14 and 8.15 is that MPs will only be eligible for a loss-of-office payment if they have held office for a continuous period of at least two years at the point they lose their seats.¹¹¹

Members are also required to have made arrangements for their staff redundancy notices; for repaying any outstanding debts to IPSA; for submitting expense claims before they receive the Loss of Office Payment; and carrying out necessary administrative tasks.¹¹²

In 2017/18 and 2018/19, a Member could request that they were paid an amount equal to their full salary for the month in which the general election was held, with the amount covering the period when they were no longer an MP being deducted from their entitlement to a Loss of Office payment.¹¹³

With the introduction of the new winding-up payment from the beginning of the 2019/20 Scheme year, IPSA removed this facility from the Scheme.¹¹⁴

3.12 Miscellaneous Expenses

Additional expenses to cover the following circumstances are payable subject to various conditions: Disability assistance; Security assistance; Insurance; Contingency payments; Necessary financial assistance.

3.13 Recall of Parliament

Following the two recalls of Parliament during the 2011 summer recess, IPSA made explicit provision for recall expenses in the 2012/13 Scheme. Provision is made in the 2019/20 Scheme:

In the event of a recall of Parliament during recess, IPSA will pay claims for any reasonable travel by MPs and their spouses, partners or dependants to Westminster or their London Area residence. This includes international travel back to the UK and, if necessary, return travel to the foreign location, from which they were recalled. MPs will be expected to claim for standard class or equivalent fares unless they have no alternative, or there is a more cost-effective option available.¹¹⁵

Until 2013/14, there was a budgetary limit of £3,750 per Member but this was removed following the November 2013 consultation. Although the limit could be breached (and funded through the contingency fund), IPSA removed the limit “to deal with the risk that the apparent limit may deter some MPs from returning during a recall or result in MPs incurring costs personally”. IPSA specified that travel should be by standard class or another more cost-effective alternative.¹¹⁶

¹¹¹ IPSA, *Eleventh Edition*, after para 8.15

¹¹² IPSA, *Eleventh Edition*, para 8.16

¹¹³ IPSA, *Ninth Edition*, 9 June 2017, para 8.14; *Tenth Edition*, March 2018, HC 876 2017-19, para 8.14

¹¹⁴ Independent Parliamentary Standards Authority, [Review of MPs' remuneration: Consultation report](#), October 2018 (updated June 2019), paras 81-82

¹¹⁵ IPSA, *Eleventh Edition*, para 10.11

¹¹⁶ IPSA, [Sixth Edition](#), “Report on the Consultation of 2013-14”, paras 65-72

In the summer of 2011, before provision was made in the Scheme, IPSA confirmed that Members would be able to claim for the cost of “necessary travel to enable them to return to Parliament” as a result of the recall of Parliament.¹¹⁷

3.14 Expenditure during a general election

The Scheme sets out the rules that would apply to claims for expenses in the period when Parliament is dissolved.¹¹⁸

Following the January/February 2019 consultation on the Scheme, IPSA added a further paragraph to the Scheme relating to the dissolution period:

An MP who wishes to use existing IT equipment, which has been purchased using IPSA funds, for campaigning activity may do so provided they pay a ‘hire’ fee, as specified by IPSA, at the start of the dissolution period. MPs who choose to do this must ensure that they comply with electoral law regarding expenses and donations.¹¹⁹

In its consultation, IPSA had noted that:

... one area which caused confusion for MPs and their staff was the use of IT equipment for campaigning in the dissolution period. IPSA’s position was that any IPSA-funded IT equipment should only be used for parliamentary purposes, and MPs should not use it at all for campaigning. The House of Commons, on the other hand, offered MPs the option of making a flat-rate £100 payment to ‘hire’ the House-loaned equipment for campaigning during the five-week dissolution period. It was sometimes difficult for MPs and their staff to know which IT equipment they had purchased through IPSA and which they had on loan from the House; and therefore if they paid the £100 fee, which IT equipment they were actually allowed to use for campaigning purposes.¹²⁰

IPSA confirmed that it had made the change in its review of the consultation exercise. It believed that the change would “improve compliance, both with the Scheme and with election rules, in providing a simple way for MPs to account for use of their IPSA-funded equipment for campaigning purposes”.¹²¹

In its review, IPSA noted that there were risks associated with this approach:

14. We acknowledge that there are potential risks associated with the new approach, and MPs who choose to pay a fee to IPSA to ‘hire’ their IT equipment for campaigning should be aware of these before deciding whether to do so. First, in accordance with Electoral Commission guidance, an MP would need to be able to demonstrate that they have paid a reasonable commercial rate for the hire of the equipment. Those with particularly high-value IT equipment may find that the flat fee is not a justifiable amount.

¹¹⁷ IPSA, “Recall of Parliament”, *MP Bulletin 46*, 9 August 2011

¹¹⁸ IPSA, *Eleventh Edition*, paras 10.12-10.18

¹¹⁹ IPSA, *Eleventh Edition*, para 10.16

¹²⁰ Independent Parliamentary Standards Authority, [Minor change to the Scheme of MPs’ Business Costs and Expenses. Consultation Report](#), May 2019, para 8

¹²¹ *Ibid*, para 12

Second, in paying the fee, an MP would need to ensure that they remain within the campaign spending limit for elections.

15. To ensure that MPs are fully aware of the risks and their responsibilities in this area, we will ask MPs to sign a declaration that they understand and accept the terms of hire. We will also ensure that the guidance produced ahead of the next General Election is clear in this area.¹²²

3.15 Coronavirus measures¹²³

On 19 March 2020, IPSA announced an immediate increase of £10,000 to each MP's office costs budget, in order to support their staff in moving to homeworking. IPSA also increased the limit on payment cards; suspended the 90-day limit for claims; among other things and committed to keeping these measures under review.¹²⁴

The £10,000 office costs budget uplift is available until the end of the 2020/21 financial year. Any unspent amount of this uplift from an MP's 2019/20 office costs budget will be 'rolled over' and made available in the current (2020/21) year. The amounts available for individual MPs were confirmed following closure of the 2019-20 financial year.¹²⁵

¹²² *Ibid*, paras 14-15

¹²³ This section was added on 10 March 2021

¹²⁴ Independent Parliamentary Standards Authority, [Bulletin](#), 19 March 2020

¹²⁵ Independent Parliamentary Standards Authority, [Changes to the Scheme of MPs' business costs as a result of coronavirus](#), 25 June 2020, p1. Full details of all the alterations to the Scheme were set out in IPSA, [Addendum to the Scheme of MPs' Business Costs and Expenses 2020-21](#), 25 June 2020, HC 555 2019-21

4. Ministers' salaries

Summary

On assuming office in May 2010, the Coalition Government announced that ministers' pay would be cut by 5% and then frozen for the duration of that Parliament. The previous Labour administration had already frozen ministerial salaries through post holders refusing increases in both ministerial and Members' salaries, so the actual earnings of ministers did not equate to their entitlements.

The Coalition Government made an Order in 2011 to set ministerial salaries in accordance with its May 2010 announcement. However, subsequent increases in Members' pay meant that once again, the salaries drawn by ministers and their entitlements were different.

Following the May 2015 general election, David Cameron announced that he had decided to freeze the pay of ministers in government. The ministerial element of pay that ministers have drawn remained unchanged in 2016/17, 2017/18 and 2018/19 but ministers in the House of Commons received increases in their parliamentary pay.

In May 2019, the Leader of the House of Lords announced that the freeze on ministerial salaries, for members of the Government in the House of Lords, would end. The freeze on the ministerial element of Commons ministers' pay continued in 2019/20.

4.1 Background

Ministers who are Members of the House of Commons receive their Members' salary and a ministerial salary. Ministers who are Members of the House of Lords receive a ministerial salary but they cannot claim Lords Attendance Allowance.¹²⁶

Before 1996, ministerial salaries had been uprated by Order in line with Members' salaries but this had not been enshrined in legislation or parliamentary resolution.¹²⁷ However the 1996 Senior Salaries Review Body (SSRB) report,¹²⁸ which was accepted by the Commons, recommended that the uprating formula and 1 April implementation date (for increases in Members' salaries) should also apply to ministers and other paid office holders. The *Ministerial and other Salaries Act 1997* amended the 1975 Act of the same title to give effect to the SSRB recommendations, the formula is set out in Box 5.

A full list of entitlements to ministerial salary is provided in tables in Appendix 3 of this Paper.

¹²⁶ Lords ministers who are unpaid are entitled to claim parliamentary allowances in the House of Lords

¹²⁷ Such an Order would have been required for an 'uprating' increase from 1 April 1997, but there was no such Order, and therefore no uprating for the year beginning 1 April 1997

¹²⁸ Review Body on Senior Salaries, *Review of Parliamentary pay and allowances*, Report No. 38, Cm 3330-I, 1996

Box 5: Uprating formula (1997-2011 and from the end of the 2015 Parliament)

Pay increases for ministers were linked automatically to the increase in pay bands for the Senior Civil Service, under a formula set out in section 1 of the *Ministerial and other Salaries Act 1997*.

- (1) For each year starting with 1st April, from 1998 onwards, the annual amount, or maximum or minimum annual amount, of any salary payable under section 1(1) or (3) of this Act shall be increased by the relevant percentage.
- (2) The relevant percentage is the average percentage by which the mid-points of the Senior Civil Service pay bands having effect from 1st April of the year concerned have increased compared with the previous 1st April.
- (3) The mid-point of a Senior Civil Service pay band is the point half way between the maximum and the minimum.

4.2 Ministerial pay freezes and salary cuts since 2007

In its *Review of parliamentary pay, pensions and allowances 2007*, the SSRB recommended that ministerial salaries should be increased.¹²⁹ However, the Government rejected this proposal and announced that ministerial salaries would continue to increase in line with Members' salaries. Despite changes to the way in which Members' salaries were determined, in 2008 and 2011 (when IPSA was given responsibility for determining Members' salaries) no changes were made to the uprating formula for ministerial salaries.

Ministerial pay freezes, 2007-2010

Whilst Gordon Brown was Prime Minister (2007-10), ministerial salary entitlements continued to increase in line with the formula in the *Ministerial and other Salaries Act 1997*. However, ministers accepted pay freezes in 2008/09, 2009/10 and 2010/11.¹³⁰

In addition to the announcements made, Gordon Brown had reduced his salary. Although entitled to £198,661 (ministerial and Member's pay together), he received £150,000 at the time of the 2010 general election. It is not clear when he took the salary cut as it was not made public until after Parliament had been dissolved for the 2010 general election.¹³¹

For further details on ministerial pay freezes in the 2005 Parliament, see the Library Research Paper *Members' pay and expenses – current rates and a review of developments since 2009* of May 2012.¹³²

Ministerial pay cut and freeze in the 2010 Parliament

In May 2010, the incoming Coalition Government announced that new Ministers would "be paid five per cent less than Ministers received in

¹²⁹ Review Body on Senior Salaries, *Review of parliamentary pay, pensions and allowances 2007*, Report No 64, Cm 7270, January 2008, paras 4.7-4.17

¹³⁰ HC Deb 17 June 2008 cc47WS-48WS; HC Deb 31 March 2009 c62WS; and HC Deb 10 March 2010 cc18WS-19WS

¹³¹ "[Gordon Brown reveals his massive pay cut](#)", *Daily Mirror*, 21 April 2010

¹³² House of Commons Library Research Paper, [Members' pay and expenses – current rates and a review of developments since 2009](#), RP 12/29, 22 May 2012

the previous administration"; and that it would impose a ministerial pay freeze for the lifetime of the 2010 Parliament.¹³³

In notes to the press release, the Government outlined how the pay reduction and subsequent freeze would be implemented:

- Total remuneration – the Parliamentary and Ministerial salaries combined – of all Ministers was reduced by five per cent relative to that received under the previous administration.
- Parliamentary salaries were received in full.
- The entire salary reduction fell upon the ministerial element of the combined total.¹³⁴

In 2011, following parliamentary approval, the Government made the *Ministerial and other Salaries Act 1975 (Amendment) Order 2011*. It set ministerial salaries at the level that implemented the commitment to reduce salaries.

The Order did not make any provision for ministerial salaries to be reduced in order to maintain the same remuneration overall for ministers, when the Member's salary increased. However, as Members' salaries increased in 2013 and 2014, ministers waived part of their ministerial salary to keep their overall remuneration at the same level. For example, the Treasury's annual report shows that, in the case of Treasury ministers, ministerial salaries received in 2013/14 were lower than that in 2012/13.¹³⁵

Ministerial pay freeze in the 2015 Parliament

The 2011 Order set ministerial salaries throughout the 2010 Parliament. It provided that they should increase in line with the existing formula with effect from the day after Parliament was dissolved. Accordingly, ministerial salaries increased by 0.62% with effect from 31 March 2015. The Order provided for them to remain at that level until 31 March 2016.¹³⁶

After the 2015 general election, on 24 May 2015, David Cameron, the then Prime Minister, wrote, in the *Sunday Times*, "I've decided to freeze the pay of the ministers in the government".¹³⁷ The BBC reported that the Prime Minister had extended the ministerial pay freeze and indicated that ministers would continue to receive the same amount of money as they received at the beginning of the 2010 Parliament:

Government ministers' pay will remain frozen for the next five years, David Cameron has announced.

¹³³ 10 Downing Street press release, [A new politics: cutting Ministerial pay](#), Thursday 13 May 2010

¹³⁴ 10 Downing Street press release, [A new politics: cutting Ministerial pay](#), Thursday 13 May 2010

¹³⁵ HM Treasury, [Annual Report and Accounts 2013-14](#), July 2014, HC 20 2014-15, p71

¹³⁶ [Ministerial and other Salaries Act 1975 \(Amendment\) Order 2011](#), SI 2011/1689, Article 4

¹³⁷ David Cameron, "The two-speed society stops right here: this is one nation", *Sunday Times*, 24 May 2015

Writing in the Sunday Times, the prime minister said we were “all in this together” when it came to paying off the national debt.

His pledge will save about £800,000 a year and £4m by 2020.

The decision means ministerial pay will not have risen for a decade by the end of parliament. Cabinet ministers currently receive a salary of £134,565.

This includes their pay as MPs. The prime minister is paid a total of £142,500.¹³⁸

Following the implementation of the increase in Members’ salaries, in September 2015 (backdated to 8 May 2015), it was widely reported at the end of 2015 that ministers had accepted the increase. The aggregate amount of salary that Prime Minister received then stood at £149,440.¹³⁹ Since then the ministerial element of ministers’ total pay has remained frozen.

Ministerial pay freeze in the 2017 Parliament

Following the June 2017 general election, ministerial pay remained unchanged. The 2015 Parliament’s freeze applied until 31 March 2018.

When details of ministerial salaries from April 2018 were announced, notes confirmed that “The Government has committed to continue to freeze Ministerial salaries” and that “There were no changes to Ministerial Salaries following the [2017] General Election”.¹⁴⁰

Ministerial salaries since 2015 – House of Commons

Following the ministerial pay freeze in the 2015 Parliament, ministerial pay increased by 0.62%, with effect from 31 March 2015 (the day after the dissolution of the 2010 Parliament). Then, in accordance with the *Ministerial and other Salaries Act 1997*, those entitlements increased by 0.43% on 1 April 2016; by 0.42% on both 1 April 2017 and 1 April 2018; and by 1.36% on 1 April 2019. Reductions in the amount of salary ministers received, to account for increases in Members’ salaries in the 2010 Parliament, and the continuing freeze in ministerial pay in the 2015 and 2017 Parliaments, mean that the amounts Commons ministers receive are lower (see Table 4).

Table 4: Ministerial salaries – entitlements and amounts received, Commons ministers (since March 2015)

£ per annum	Entitlement 31 March 2015	Entitlement 1 April 2016	Entitlement 1 April 2017	Entitlement 1 April 2018	Entitlement 1 April 2019	Amount received (1)
Prime Minister	77,238	77,570	77,896	78,223	79,286	75,440
Cabinet Minister	69,254	69,552	69,844	70,137	71,090	67,505
Minister of State	33,207	33,350	33,490	33,360	34,087	31,680
Parly Under-Sec	23,844	23,947	24,048	24,149	24,477	22,475

Source: Cabinet Office, [Ministerial salary data](#), June 2019

(1) throughout this period

¹³⁸ BBC News, [David Cameron announces freeze in ministers’ pay](#), 24 May 2015

¹³⁹ BBC News, [Speaker John Bercow earns more than PM after pay rise](#), 28 December 2015; [“Bercow to be paid more than Cameron after extra rise for Speaker”](#), *Guardian*, 27 December 2015. In fact, the Speaker’s salary overtook that of the PM in April 2014

¹⁴⁰ Cabinet Office, [Ministerial salary data](#), December 2018

Appendix 4 reports the changes to the entitlements and amounts received by the Prime Minister, Cabinet Ministers, Ministers of State, and Parliamentary Under Secretaries since 2008.

Ministerial salaries since 2015 – House of Lords Ministers

Ministerial salaries in the House of Lords were reduced after the general election in 2010 and then remained frozen at that level until 31 March 2019, despite increases in entitlement since 31 March 2015.

In May 2019, the Leader of the House of Lords announced that Lords ministers' pay would increase. She noted that there had been a "disparity between the treatment of Lords Ministers and Commons Ministers". Commons ministers had received increases in their parliamentary salaries since May 2015, whilst Lords Ministers had received no increase at all. She explained how the change would be implemented:

From this year, they [Lords ministers] will no longer be asked to waive the increases which have been applied, but not claimed, since 2015 and instead will be entitled to claim their full entitled salaries. This amounts to an increase of 1.4 per cent this year, and just under 3.3 per cent, after including the entitled increases, since 2015. Again, this broadly reflects the changes in the Commons since 2015.¹⁴¹

The effect is shown in Table 5.

Table 5: Ministerial salaries – entitlements and amounts received, Lords ministers (since March 2015)

£ per annum	Entitlement	Amount received
Cabinet Minister		
31 March 2015	£101,664	£101,038
01 April 2016	£102,101	£101,038
01 April 2017	£102,530	£101,038
01 April 2018	£102,960	£101,038
01 April 2019	£104,360	£104,360
Minister of State		
31 March 2015	£79,380	£78,891
01 April 2016	£79,721	£78,891
01 April 2017	£80,056	£78,891
01 April 2018	£80,392	£78,891
01 April 2019	£81,485	£81,485

Source: Cabinet Office, [Ministerial salary data](#), June 2019

¹⁴¹ [HLWS1514](#), 9 May 2019

Appendix 1: IPSA MPs' expenses scheme – summary of rates 2010/11 to 2019/20

(a) Accommodation Expenses for London and London Area Living Payment

	Accommodation Expenses		Accommodation Expenses		Associated Expenditure (3)	Hotel Accommodation (per night)		Caring Responsibility	London Area Living Payment	Addition to London Area Living Payment
	London Area (1)	Rent (max)	Total	Mortgage interest (transition) Mortgage (max)		London Area	Elsewhere			
2010/11	£19,900	£17,400	£17,500	£15,000	-	£130	£105	£2,425	£3,760	-
2011/12	£19,900	-	£17,500	-	-	£150	£120	£2,425	£3,760	£1,330
2012/13	£20,000	-	£8,850 (2)	-	-	£150	£120	£2,425	£3,760	£1,330
2013/14	£20,100	-	-	-	£8,850	£150	£120	£2,425	£3,760	£1,330
2014/15	£20,600	-	-	-	£8,850	£150	£120	£2,425	£3,760	£1,330
2015/16 (4, 5)	£20,600	-	-	-	£8,850	£150	£120	£2,425	£3,760	£1,330
2016/17	£20,610	-	-	-	£8,850	£150	£120	£2,425	£3,760	£1,330
2017/18 (6,7)	£22,760	-	-	-	£5,963	£150	£120	£5,435	£3,820	£1,350
2018/19	£22,850	-	-	-	£5,150	£175	£150	£5,435	£3,940	£1,395
2019/20 (8,9)	£22,920	-	-	-	£5,270	£175	£150	£5,435	£4,030	£1,430

(1) Different rates are set for MPs claiming for rental payments in their (non-London Area) constituency, or within 20 miles of any point on the constituency boundary. See Table (b) for further details of these rates.

(2) Five months at £1,250 (as the transition period ended on 31 August 2012) plus £2,600 for associated expenditure

(3) From 2013/14, MPs who owned their own home were able to claim up to £8,850 for associated expenditure only under Accommodation Expenditure. This total reduced to £5,000 per year from the first election after the 2017/18 Scheme came into force. The election in 2017 meant that figures were pro-rated in 2017/18 - 3 months @ £8,850 and 9 months @ £5,000, giving £5,693 for the full year. The budget has been annually reviewed since then.

(4) IPSA calculated proportionately reduced budgets for newly elected Members, equivalent to 11 months' budget, following the 2015 election

2015/16	£18,883	£8,113	£2,223	£3,447	£1,219
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(5) IPSA calculated proportionately reduced budgets for Members who stood down or were defeated, at the 2015 election, equivalent to 3 months' budget

2015/16	£5,150	£2,213	£606	£940	£333
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(6) IPSA calculated proportionately reduced budgets for newly elected Members, equivalent to 10 months' budget, following the 2017 election

2017/18	£18,967	£4,167	£4,530	£3,184	£1,125
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(7) IPSA calculated proportionately reduced budgets for Members who stood down or were defeated, at the 2017 election, equivalent to 3 months' budget

2017/18	£5,690	£2,213	£1,359	£955	£338
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(8) IPSA calculated proportionately reduced budgets for newly elected Members, equivalent to 4 months' budget, following the 2019 election

2019/20	£7,640	£1,757	£1,812	£1,343	£477
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(7) IPSA calculated proportionately reduced budgets for Members who stood down or were defeated, at the 2019 election, equivalent to 9 months' budget

2019/20	£17,190	£3,953	£4,076	£3,023	£1,073
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Please note, IPSA have used different terms to refer to budgets over time e.g. Accommodation Expenses became Accommodation Costs in 2017/18.

(b) Bandings for Accommodation Expenses outside London

	Band A	(Rent max)	Band B	(Rent max)	Band C	(Rent max)	Band D	(Rent max)	Band E	(Rent max)
2010/11 (1)	£15,050	£12,550	£13,655	£11,155	£12,261	£9,761	£10,866	£8,366	£9,472	£6,972
2011/12	£15,050		£13,655		£12,261		£10,866		£9,472	
2012/13	£15,150		£13,750		£12,450		£10,950		£10,050	
2013/14	£15,250		£13,850		£12,350		£11,050		£10,150	
2014/15	£15,650		£14,200		£12,800		£11,350		£10,400	
2015/16 (2, 3)	£15,650		£14,200		£12,800		£11,350		£10,400	
2016/17	£15,660		£14,210		£12,810		£11,360		£10,410	
2017/18 (4,5,6)	£15,850									
2018/19	£15,940									
2019/20 (7,8)	£16,010									

(1) Rates set in Scheme guidance. From 2011/12, rates were specified in the Scheme.

(2) IPSA calculated proportionately reduced budgets for newly elected Members, equivalent to 11 months' budget

2015/16 £14,346 £13,017 £11,733 £10,404 £9,533

(3) IPSA calculated proportionately reduced budgets for Members who stood down or were defeated, equivalent to 3 months' budget

2015/16 £3,913 £3,550 £3,200 £2,838 £2,600

(4) From 2017/18, IPSA consolidated the five regional accommodation budgets into one single non-London accommodation budget

(5) IPSA calculated proportionately reduced budgets for newly elected Members, equivalent to 10 months' budget, following the 2017 election

2017/18 £13,209

(6) IPSA calculated proportionately reduced budgets for Members who stood down or were defeated, at the 2017 election, equivalent to 3 months' budget

2017/18 £3,963

(7) IPSA calculated proportionately reduced budgets for newly elected Members, equivalent to 4 months' budget, following the 2019 election

2019/20 £5,337

(6) IPSA calculated proportionately reduced budgets for Members who stood down or were defeated, at the 2019 election, equivalent to 9 months' budget

2019/20 £12,008

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(c) Staffing, Office, Administrative and Expenses

	Staffing Expenditure			Constituency Office Rental Expenditure		General Administrative Expenditure	Office Costs Expenditure	
	All areas	London	non-London	London Area	Non-London Area		London Area	Non-London Area
2010/11	£109,548	-	-	£12,761	£10,663	£10,394	-	-
2011/12	£115,000	-	-	-	-	-	£24,000	£21,500
2012/13	-	£144,000	£137,200	-	-	-	£24,750	£22,200
2013/14	-	£144,000	£137,200	-	-	-	£25,350	£22,750
2014/15	-	£145,500	£138,600	-	-	-	£25,900	£23,250
2015/16 (1,2)	-	£147,000	£140,000	-	-	-	£26,050	£23,400
2016/17	-	£148,500	£141,400	-	-	-	£26,100	£23,450
2017/18 (3,4)	-	£161,550	£150,900	-	-	-	£26,850	£24,150
2018/19	-	£164,460	£153,620	-	-	-	£27,660	£24,880
2019/20 (5,6)	-	£166,930	£155,930	-	-	-	£28,270	£25,430

(1) IPSA calculated proportionately reduced budgets for newly elected Members, equivalent to 11 months' budget

2015/16 (1) *£134,750* *£128,333* *£23,879* *£21,450*

(2) IPSA calculated proportionately reduced budgets for Members who stood down or were defeated, equivalent to 3 months' budget

2015/16 (2) *£36,750* *£35,000* *£6,513* *£5,850*

(3) IPSA calculated proportionately reduced budgets for newly elected Members, equivalent to 11 months' budget

2017/18 *£134,625* *£125,750* *£22,375* *£20,125*

(4) IPSA calculated proportionately reduced budgets for Members who stood down or were defeated, equivalent to 3 months' budget

2017/18 *£40,388* *£37,725* *£6,713* *£6,038*

(5) IPSA calculated proportionately reduced budgets for newly elected Members, equivalent to 4 months' budget

2019/20 *£55,643* *£51,977* *£15,423* *£14,477*

(including £6,000 start-up supplement)

(6) IPSA calculated proportionately reduced budgets for Members who stood down or were defeated, equivalent to 9 months' budget

2019/20 *£125,198* *£116,948* *£21,203* *£19,073*

(d) Start-Up and Winding-Up Expenses

	Start-up Expenses (1)	Winding-up Expenses	Winding-up Expenditure		Winding-up Payment
			London Area	Non-London Area	
2010/11	-	£40,609	-	-	-
2011/12	£6,000	-	£46,500	£45,500	-
2012/13	£6,000	-	£56,250	£53,150	-
2013/14	£6,000	-	£56,450	£53,350	-
2014/15	£6,000	-	£57,150	£53,950	-
2015/16	£6,000	-	£57,150	£53,950	-
2016/17	£6,000	-	£57,150	£53,950	-
2017/18	£6,000	-	£57,150	£53,950	-
2018/19	£6,000	-	£57,150	£53,950	-
2019/20	£6,000	-	£57,150	£53,950	2 months' salary*

(1) Initially available for 365 days from the day after the date of election of the MP.

From 2017/18, it was paid as a supplement to the Office Costs budget and is available "to new MPs for the duration of the financial year in which they were elected".

* net of tax and National Insurance Contributions. There are restrictions to entitlement.

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(e) Travel and subsistence

	Rate per mile			Subsistence		Taxi	
	Motor car < 10,000 miles	Motor car > 10,000 miles	Motorcycle	Bicycle	Overnight (1)	Late sitting (2)	Late sitting (3)
2010/11	40p	25p	24p	20p	£25	£15	£80
2011/12 (4)	40p	25p	24p	20p	£25	£15	£80
2012/13	45p	25p	24p	20p	£25	£15	£80
2013/14	45p	25p	24p	20p	£25	£15	£80
2014/15	45p	25p	24p	20p	£25	£15	£80
2015/16	45p	25p	24p	20p	£25	-	£80
2016/17	45p	25p	24p	20p	£25	-	£80
2017/18	45p	25p	24p	20p	£25	-	no cap
2018/19	45p	25p	24p	20p	£25	-	no cap
2019/20	45p	25p	24p	20p	£25	-	no cap

(1) Away from London Area or constituency

(2) MPs could claim reimbursement of the costs of an evening meal when they are required to be at the House of Commons because it is sitting beyond 7.30pm.

(3) In 2010/11, taxi fares could only be claimed if the House sat beyond 11pm

(4) The mileage rate for motor cars (< 10,000 miles) increased to 45p from 1 May 2011

Appendix 2: London Area constituencies

In its rules on Accommodation Expenditure, IPSA states that it is payable only to non-London Area MPs. In April 2010, there were 128 London Area constituencies – all are listed below. The definition of the London Area changed from the beginning of April 2011, and the number reduced to 97. In April 2012, one further seat (North East Hertfordshire) was removed.

The remaining 96 (numbered), the current London-Area seats have been defined as London-Area constituencies throughout. Those in **bold text** are eligible for an addition to the London Area Living Payment.

- | | |
|------------------------------------|-------------------------------------|
| 1. Aldershot* | 35. Epping Forest |
| 2. Barking | 36. Epsom & Ewell |
| 3. Basildon & Billericay* | 37. Erith & Thamesmead |
| 4. Basingstoke* | 38. Esher & Walton |
| 5. Battersea | 39. Feltham & Heston |
| 6. Beaconsfield | 40. Finchley & Golders Green |
| 7. Beckenham | 41. Gravesham* |
| 8. Bermondsey & Old Southwark | 42. Greenwich & Woolwich |
| 9. Bethnal Green & Bow | 43. Guildford* |
| 10. Bexleyheath & Crayford | 44. Hackney North & Stoke |
| 11. Brent Central | 45. Newington |
| 12. Brent North | 46. Hackney South & Shoreditch |
| 13. Brentford & Isleworth | 47. Hammersmith |
| 14. Brentwood & Ongar | 48. Hampstead & Kilburn |
| 15. Bromley & Chislehurst | 49. Harlow |
| 16. Broxbourne | 50. Harrow East |
| 17. Camberwell & Peckham | 51. Harrow West |
| 18. Carshalton & Wallington | 52. Hayes & Harlington |
| 19. Castle Point* | 53. Hemel Hempstead* |
| 20. Chatham & Aylesford* | 54. Hendon |
| 21. Chelmsford* | 55. Hertford & Stortford |
| 22. Chelsea & Fulham | 56. Hertsmere |
| 23. Chesham & Amersham* | 57. Hitchin & Harpenden* |
| 24. Chingford & Woodford Green | 58. Holborn & St Pancras |
| 25. Chipping Barnet | 59. Hornchurch & Upminster |
| 26. Cities of London & Westminster | 60. Hornsey & Wood Green |
| 27. Crawley* | 61. Ilford North |
| 28. Croydon Central | 62. Ilford South |
| 29. Croydon North | 63. Islington North |
| 30. Croydon South | 64. Islington South & Finsbury |
| 31. Dagenham & Rainham | 65. Kensington |
| 32. Dartford | 66. Kingston & Surbiton |
| 33. Dulwich & West Norwood | 67. Lewisham East |
| 34. Ealing Central & Acton | 68. Lewisham West & Penge |
| 35. Ealing North | 69. Lewisham, Deptford |
| 36. Ealing, Southall | 70. Leyton & Wanstead |
| 37. East Ham | 71. Luton North* |
| 38. East Surrey | 72. Luton South* |
| 39. Edmonton | 73. Maidenhead* |
| 40. Eltham | 74. Mid Sussex* |
| 41. Enfield North | 75. Milton Keynes North* |
| 42. Enfield, Southgate | 76. Milton Keynes South* |

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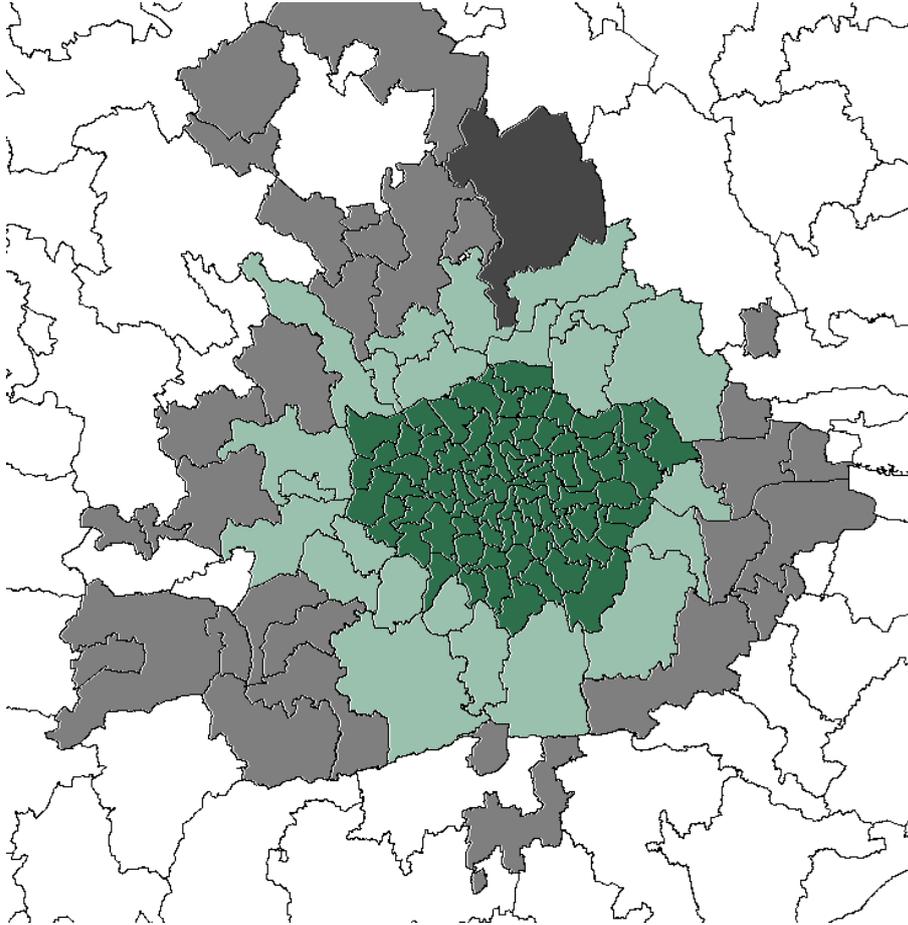
66. Mitcham & Morden	80. Spelthorne
67. Mole Valley	81. St Albans
North East Bedfordshire*	Stevenage*
North East Hampshire*	82. Streatham
North East Hertfordshire**	Surrey Heath*
68. Old Bexley & Sidcup	83. Sutton & Cheam
69. Orpington	84. Thurrock
70. Poplar & Limehouse	Tonbridge & Malling*
71. Putney	85. Tooting
Reading East*	86. Tottenham
Reading West*	87. Twickenham
72. Reigate	88. Uxbridge & South Ruislip
73. Richmond Park	89. Vauxhall
Rochester & Strood*	90. Walthamstow
74. Romford	91. Watford
75. Ruislip, Northwood & Pinner	92. Welwyn Hatfield
76. Runnymede & Weybridge	93. West Ham
77. Sevenoaks	94. Westminster North
78. Slough	95. Wimbledon
South Basildon & East Thurrock*	96. Windsor
South West Bedfordshire*	Woking*
79. South West Hertfordshire	Wycombe*
South West Surrey*	

* From April 2011, these seats were no longer defined as London Area seats

** From April 2012, North East Hertfordshire was no longer defined as a London Area seat

Source: IPSA, *The Members' Expenses Scheme, Schedule 2*, 29 March 2010, HC 501 2009-10; *Annual Review of MPS' Expenses Scheme 2011*, "The MPs' Expenses Scheme: Third Edition", Schedule 2 and Schedule 3

London Area Constituencies since May 2010



In 2010/11 all the seats identified in the map were London area constituencies.

-  From April 2011, no longer defined as London area constituencies
-  From April 2012, North East Hertfordshire was no longer defined as a London area constituency
-  London area seats since May 2010 qualifying for a supplement to the London living payment from April 2011
-  London area seats since May 2010

Appendix 3: Ministerial salaries – salary entitlements

(a) Ministers and office-holders in Commons: Ministerial salary entitlements, £

	1997/98	2001/02	1 Apr 2006	1 Apr 2007	2008/09	2009/10	2010/11	1 Apr 2011	14 Jul 2011	31 Mar 2015	1 Apr 2016	1 Apr 2017	1 Apr 2018	1 Apr 2019
Prime Minister (a)	100,000	113,596	126,085	129,244	130,959	132,923	132,923	132,923	76,762	77,238	77,570	77,896	78,223	79,286
Cabinet Minister (a)	60,000	68,157	75,651	77,546	78,575	79,754	79,754	79,754	68,827	69,254	69,552	69,844	70,137	71,090
Minister of State	31,125	35,356	39,243	40,225	40,759	41,370	41,370	41,370	33,002	33,207	33,350	33,490	33,630	34,087
Parliamentary Under Secretary	23,623	26,835	29,786	30,532	30,937	31,401	31,401	31,401	23,697	23,844	23,947	24,048	24,149	24,477
Government Chief Whip (b)	36,613	68,157	75,651	77,546	78,575	79,754	79,754	79,754	68,827	33,207	33,350	33,490	33,630	34,087
Government Deputy Chief Whip	31,125	35,356	39,243	40,225	40,759	41,370	41,370	41,370	33,002	33,207	33,350	33,490	33,630	34,087
Government Whip	20,029	22,753	25,255	25,888	26,231	26,624	26,624	26,624	19,239	19,358	19,441	19,523	19,614	19,880
Assistant Government Whip	20,029	22,753	25,255	25,888	26,231	26,624	26,624	26,624	19,239	19,358	19,441	19,523	19,614	19,880
Leader of the Opposition	55,000	62,479	70,035	71,086	72,029	73,617	73,617	73,617	63,098	63,489	63,762	64,029	64,297	65,171
Opposition Chief Whip	31,125	35,356	39,631	40,225	40,759	41,370	41,370	41,370	33,002	33,207	33,350	33,490	33,630	34,087
Opposition Deputy Chief Whip	20,029	22,753	25,505	25,888	26,231	26,624	26,624	26,624	19,239	19,358	19,441	19,523	19,614	19,880
Opposition Assistant Whip	20,029	22,753	25,505	25,888	26,231	26,624	26,624	26,624	19,239	19,358	19,441	19,523	19,614	19,880
Speaker	60,000	68,157	75,651	77,546	78,575	79,754	79,754	79,754	75,766	76,236	76,564	76,885	77,208	78,258
Chairman of Ways and Means	31,125	35,356	39,243	40,225	40,759	41,370	41,370	41,370	41,370	41,626	41,626	41,981	41,981	
First Deputy Chairman	27,355	31,073	34,489	35,353	35,823	36,360	36,360	36,360	36,360	36,585	36,585	36,896	36,896	
Second Deputy Chairman	27,355	31,073	34,489	35,353	35,823	36,360	36,360	36,360	36,360	36,585	36,585	36,896	36,896	
Attorney General (c)	63,756	In Lords					108,624	108,624	95,772	96,366	96,780	97,186	97,594	98,921
Solicitor General (d)	In Lords	59,386	65,916	67,568	68,464	69,491	69,491	69,491	59,248	59,615	59,871	60,122	60,374	61,195
Advocate General for Scotland (e)		59,386	In Lords											
Lord Chancellor (g) (h)				77,546	78,575	79,754	79,754	79,754	68,827	69,254	69,552	69,844	70,137	71,090

Notes:

(1) Increases were paid in two stages in 2006/07 and 2007/08 – salaries increased in November 2006 and November 2007 (not shown above)

(2) The Leader of the Opposition's entitlement was calculated by applying increases since 14 July 2011 – no rounding up was applied

(3) The Speaker's entitlement was calculated by applying increases since 14 July 2011

(4) The salaries of the Chairman of Ways and Means and the Deputy Chairmen of Ways and Means are now reported in the House of Commons: Members Accounts, figures for 2019/20 will be published in summer 2020

See after Table (b) for notes (a)-(h)

(b) Ministers and office-holders in Lords: Full salary entitlements, £

	1997/98	2001/02	1 Apr 2006	1 Apr 2007	2008/09	2009/10	2010/11	1 Apr 2011	14 Jul 2011	31 Mar 2015	1 Apr 2016	1 Apr 2017	1 Apr 2018	1 Apr 2019
Lord Speaker (<i>f</i>)			102,685	105,257	106,654	108,253	108,253	108,253	101,038	101,664	102,101	102,530	102,960	104,360
Cabinet Minister (<i>a</i>)	77,963	88,562	102,685	105,257	106,654	108,253	108,253	108,253	101,038	101,664	102,101	102,530	102,960	104,360
Minister of State	51,838	68,283	80,176	82,185	83,275	84,524	84,524	84,524	78,891	79,380	79,721	80,056	80,392	81,485
Parliamentary Under Secretary	43,632	58,961	69,829	71,579	72,529	73,617	73,617	73,617	68,710	69,136	69,433	69,725	70,017	70,969
Government Chief Whip	51,838	68,283	80,176	82,185	83,275	84,524	84,524	84,524	78,891	79,380	79,721	80,056	80,392	81,485
Government Deputy Chief Whip	43,632	58,961	69,829	71,579	72,529	73,617	73,617	73,617	68,710	69,136	69,433	69,725	70,017	70,969
Government Whip	39,462	54,224	64,572	66,190	67,069	68,074	68,074	68,074	63,537	63,931	64,206	64,475	64,745	65,625
Leader of the Opposition	43,632	58,961	70,521	71,579	72,529	73,617	73,617	73,617	68,710	69,136	69,433	69,725	70,017	70,969
Opposition Chief Whip	39,462	54,224	65,212	66,190	67,069	68,074	68,074	68,074	63,357	63,931	64,206	64,475	64,745	65,625
Lord Chancellor (<i>g</i>)	140,665	173,875	102,685	(<i>h</i>)										
Chairman of Committees	51,838	68,283	80,176	82,185	83,275	84,524	84,524	84,524	84,524	84,524	84,524	84,524	84,524	
Principal Deputy Chairman	47,739	63,626	75,008	76,886	77,907	79,076	79,076	79,076	79,076	79,076	79,076	79,076	79,076	
Solicitor General (<i>d</i>)	78,072													
Attorney General (<i>c</i>)	In Commons	92,826	107,422	110,112	111,574	113,248	113,248		In Commons					
Advocate General for Scotland (<i>e</i>)		In Commons	93,249	95,586	96,854	98,307	98,307	98,307	91,755	92,324	92,721	93,110	93,501	94,772

Notes:

(1) Increases were paid in two stages in 2006/07 and 2007/08 – salaries increased in November 2006 and November 2007 (not shown above)

(2) The salaries of the Chairman of Committees and the Principal Deputy Chairman are now reported in the House of Lords Annual Report and Resource Accounts, figures for 2019/20 will be published in summer 2020

(3) The Chairman of Committees has been known as the Senior Deputy Speaker since 1 September 2016 and the Principal Deputy Chairman of Committees has been known as the Chairman of the European Union Committee since 21 June 2017

See following page for notes (a)-(h)

(c) Notes to Appendix 3

These notes refer to the two tables on the previous pages.

- a) On 8 May 1997 the new Government stated that the Prime Minister and Cabinet Ministers would not take the post-election increases. The postholders drew a reduced ministerial salary.

Following the election in May 2001 the Government announced that ministers would take their full salary entitlement.

- b) Government Chief Whip in Cabinet as from 28 July 1998 to 3 October 2008, so received Cabinet Minister's salary. Since 3 October 2008, salary has been paid at the same level as a Minister of State's salary, in accordance with Schedule 1, Part II of the *Ministerial and other Salaries Act 1975*.
- c) Office in Lords from 29 July 1999. The *Attorney General's Salary Order 2000*, SI 2000/1827, implemented a 1996 SSRB recommendation that the salary should have same differential over the rate for a Cabinet Minister in Lords as it had in the Commons.

From the formation of the Coalition Government in May 2010, office in Commons. From May 2010 to July 2014, the Attorney General took a Cabinet Minister's salary.

- d) Office in Commons in 1992-1997 Parliament, and as from 28 July 1998.
- e) The Office of Advocate General for Scotland was created by the *Scotland Act 1998*: the Lord Advocate and the Solicitor General for Scotland became Ministers in the Scottish Executive.
- f) The Lord Speaker took office on 4 July 2006; the *Constitutional Reform Act 2005* no longer required the Lord Chancellor to fulfil this role.

- g) From 1 April 1997, in line with the staged increase for the Lord Chief Justice. The *Ministerial and Other Pensions and Salaries Act 1991*, as amended by the *Ministerial and Other Salaries Order 1996* [SI 1996/1913], determined that the Lord Chancellor should receive £2,500 a year more than the salary for the time being payable to the Lord Chief Justice. However, the Lord Chancellor elected to receive the same salary as other Cabinet members in the Lords.

The *Public Service Pensions Act 2013* set the Lord Chancellor's salary at the same level as that of other Cabinet ministers.

- h) Under the *Constitutional Reform Act 2005*, the Lord Chancellor no longer has to sit in the House of Lords.

Appendix 4: Ministerial salaries a comparison of entitlements and amounts received (since 2010), £ per annum

	01-Apr-10	10-May-10	01-Apr-11	14-Jul-11	01-Apr-12	01-Apr-13	01-Apr-14	31-Mar-15	01-Apr-15	08-May-15	01-Apr-16	01-Apr-17	01-Apr-18	01-Apr-19
(1) Prime Minister														
Entitlement														
Minister	132,923	132,923	132,923	76,762	76,762	76,762	76,762	77,238	77,238	77,238	77,570	77,896	78,223	79,286
Member	65,783	65,783	65,783	65,783	65,783	66,396	67,060	67,060	67,060	74,000	74,962	76,011	77,379	79,468
Total	198,706	198,706	198,706	142,545	142,545	143,158	143,822	144,298	144,298	151,238	152,532	153,907	155,602	158,754
Amount received														
Minister	130,594	76,762	76,762	76,762	76,762	76,104	75,440	75,440	75,440	75,440	75,440	75,440	75,440	75,440
Member	63,291	65,738	65,738	65,738	65,738	66,396	67,060	67,060	67,060	74,000	74,962	76,011	77,379	79,468
Total	193,885	142,500	149,440	150,402	151,451	152,819	154,908							
Note: Before the 2010 General Election, Gordon Brown further reduced the amount of total salary he received to £150,000														
(2) Cabinet Minister														
Entitlement														
Minister	79,754	79,754	79,754	68,827	68,827	68,827	68,827	69,254	69,254	69,254	69,552	69,844	70,137	71,090
Member	65,783	65,783	65,783	65,783	65,783	66,396	67,060	67,060	67,060	74,000	74,962	76,011	77,379	79,468
Total	145,537	145,537	145,537	134,610	134,610	135,223	135,887	136,314	136,314	143,254	144,514	145,855	147,516	150,558
Amount received														
Minister	78,356	68,827	68,827	68,827	68,827	68,169	67,505	67,505	67,505	67,505	67,505	67,505	67,505	67,505
Member	63,291	65,738	65,738	65,738	65,738	66,396	67,060	67,060	67,060	74,000	74,962	76,011	77,379	79,468
Total	141,647	134,565	141,505	142,467	143,516	144,884	146,973							
(3) Minister of State														
Entitlement														
Minister	41,370	41,370	41,370	33,002	33,002	33,002	33,002	33,207	33,207	33,207	33,350	33,490	33,630	34,087
Member	65,783	65,783	65,783	65,783	65,783	66,396	67,060	67,060	67,060	74,000	74,962	76,011	77,379	79,468
Total	107,153	107,153	107,153	98,785	98,785	99,398	100,062	100,267	100,267	107,207	108,312	109,501	111,009	113,555
Amount received														
Minister	40,646	33,002	33,002	33,002	33,002	32,344	31,680	31,680	31,680	31,680	31,680	31,680	31,680	31,680
Member	63,291	65,738	65,738	65,738	65,738	66,396	67,060	67,060	67,060	74,000	74,962	76,011	77,379	79,468
Total	103,937	98,740	105,680	106,642	107,691	109,059	111,148							

Appendix 5: Library Research Papers on Members' pay and allowances since 2001

[Parliamentary Pay and Allowances: The Current Rates](#), RP 01/43, 3 April 2001

[Parliamentary pay, allowances and pensions: the reviews of 2001](#), RP 01/86, 8 November 2001

[Parliamentary pay and allowances: current rates](#), RP 01/87, 8 November 2001

[Members' office costs: the new system](#), RP 01/88, 8 November 2001

[Parliamentary pay and allowances](#), RP 03/64, 16 July 2003

[Parliamentary pay and allowances](#), RP 04/40, 18 May 2004

[Parliamentary pay and allowances](#), RP 05/42, 9 June 2005

[Parliamentary pay and allowances](#), RP 06/47, 9 October 2006

[Parliamentary pay, allowances and pensions](#), RP 08/31, 31 March 2008

[Members' pay and the independent review process](#), RP 09/29, 31 March 2009

[Members' allowances](#), RP 09/60 25 June 2009

[Members' pay and expenses – current rates and a review of developments since 2009](#) RP 12/29, 22 May 2012

[Members' pay and expenses – current rates from 1 April 2013](#), RP 13/33, 31 May 2013

[Members' pay and expenses 2015/16](#), CBP07546, 31 March 2016

[Members' pay and expenses and ministerial salaries 2016/17](#), CBP07762, 10 November 2016

[Members' pay and expenses and ministerial salaries 2017/18](#), CBP08276, 29 March 2018

[Members' pay and expenses and ministerial salaries 2018/19](#), CBP08535, 27 March 2019

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