



BRIEFING PAPER

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Members' pay and expenses and ministerial salaries 2020/21

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Summary

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 2020, the annual salary of a Member of Parliament [increased to £81,932](#), in accordance with IPSA's [determination](#) of July 2015.

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.

Following the December 2019 general election, IPSA [launched the statutory consultation, the Periodic Adjustment to MPs' Pay](#), on 8 October 2020. It proposed retaining the link between public sector earnings and Members' pay. The consultation closed on 6 October 2020.

On 11 December 2020, IPSA [announced](#) that Members' pay would be frozen for 2021/22. It noted that its approach to setting Members' pay since 2015 was "intended to last a generation" but the impact of the Covid pandemic had prompted many respondents to the consultation to call on IPSA to take a different approach. It said that the IPSA Board would reflect on the consultation and publish its response in 2021.

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 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.

A [Policy Review: Funding for MPs' Staff](#), completed in March 2020, led to IPSA updating job descriptions and salary ranges for MPs' staff, and funding for staff welfare expenses. Accordingly, the Staffing Budget was increased. Some alterations were also made to subletting arrangements and security assistance in the Scheme. The Twelfth Edition of IPSA's [Scheme of Business Costs and Expenses](#) came into force on 1 April 2020. The main expense budgets provided in IPSA's scheme; [additional funding](#) made available in the light of the coronavirus pandemic; and the maximum amounts that Members can claim in 2020/21 are set out below:

| | Initial limit | Additional budget # |
|--|----------------------|----------------------------|
| Accommodation Costs | | |
| London area (rent) | £23,010 | |
| Outside London area (rent) | £16,120 | |
| Own home | £5,410 | |
| Caring responsibility | £5,435 | |
| London Area Living Payment | £4,090 | |
| London Area Living Payment (addition) | £1,450 | |
| Staffing Costs | | |
| London area MPs | £188,860 | £18,270 |
| non-London area MPs | £177,550 | £16,480 |
| Office Costs | | |
| London area MPs | £28,800 | up to £10,000 [^] |
| non-London area MPs | £25,910 | up to £10,000 [^] |
| Start-up supplement | £6,000 | |
| Winding-up Costs | | |
| London area MPs | £57,150 | |
| non-London area MPs | £53,950 | |
| Winding-up Payment | Two month's salary* | |

"in response to the exceptional circumstances created by the coronavirus pandemic"

* net of tax and National Insurance contributions

[^] £10,000 increase to Office Costs was allowed in 2019/20, the portion of the £10,000 unspent in 2019/20 is available in 2020/21

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.

At present ministers in both Houses do not receive their full ministerial salaries. Currently ministers in the House of Commons receive their MP's salary and the following additional amounts as ministers:

| | |
|---|---------|
| Prime Minister: | £75,440 |
| Cabinet Minister | £67,505 |
| Minister of State: | £31,680 |
| Parliamentary Under-Secretary of State: | £22,475 |

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

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to ministers in the House of Commons waiving part of their ministerial salary to prevent 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.

In 2020/21 [ministerial salaries were frozen](#). Although salary entitlements increased in line with the legislation, ministers in the Commons continued to receive the same level of ministerial salary as they had since 1 April 2014; and the salaries of ministers in the House of Lords were frozen at the rate payable since 1 April 2019.

A Library Briefing Paper on Members' pay, expenses and ministerial salaries in 2019/20 is available on the Commons Library website:

[Members' pay and expenses and ministerial salaries 2019/20](#), CBP08839, 2 March 2020

1. Members' salaries

Summary

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

On 5 March 2020, IPSA confirmed that Members' pay would increase by 3.1% to £81,932 from 1 April 2020. 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.

Following the December 2019 general election, IPSA [launched the statutory consultation, the *Periodic Adjustment to MPs' Pay*](#), on 8 October 2020. It proposed retaining the link between public sector earnings and Members' pay. The consultation closed on 6 October 2020.

On 11 December 2020, IPSA [announced](#) that Members' pay would be frozen for 2021/22. It noted that its approach to setting Members' pay since 2015 was "intended to last a generation" but the impact of the Covid pandemic had prompted many respondents to the consultation to call on IPSA to take a different approach. It said that the IPSA Board would reflect on the consultation and publish its response in 2021.

1.1 Members' salaries in the 2015, 2017 and 2019 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.

Under the *Parliamentary Standards Act 2009*, IPSA is required to “review the current determination (and make a new determination as appropriate) – (a) in the first year of each Parliament; (b) at any other time it considers appropriate”.¹

From the beginning of the 2015 Parliament Members' salaries have been set in accordance with a determination issued by IPSA in July 2015.² 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 first review of Members' salaries,³ 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.⁴ The July 2015 determination is set out in Box 1.⁵

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*.

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 2020, the salary of a Member of

¹ [Parliamentary Standards Act 2009](#), section 4A(6)

² IPSA has to conduct a statutory review in the first year of a new Parliament [[Parliamentary Standards Act 2009](#), section 4A (6)]

³ 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](#), 16 July 2015

⁴ 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

⁵ The December 2013 determination was published in Independent Parliamentary Standards Authority, [MPs' Pay and Pensions: Final Report](#), December 2013

Parliament increased to £81,932. The salary was confirmed by IPSA in March 2020.⁶

Statutory review at the beginning of the 2019 Parliament

Following the December 2019 general election, IPSA launched the statutory consultation the *Periodic Adjustment to MPs' Pay* on 8 October 2020. It proposed retaining the link between public sector earnings and Members' pay:

We have a statutory duty under the Parliamentary Standards Act 2009 to review MPs' pay in the first year of each parliament. We decided after consulting in 2012, 2013 and 2015 that the best way to update MPs' pay periodically was to link it to a transparent, external benchmark, and that the most appropriate benchmark was a measure of earnings. This consultation proposes to retain that approach, using the Office of National Statistics (ONS) Average Weekly Earnings figure reflecting changes in public sector earnings for the period ahead.⁷

The consultation closed on 6 October 2020.

Following the launch of the consultation, there were a number of calls from politicians and the press for Members' pay to be frozen because of economic uncertainty as a result of the coronavirus pandemic.⁸

Reports of pay rise of 4.1% persisted and on 23 November 2020, IPSA tweeted that:

IPSA has not given MPs a 4.1% pay rise. We have consulted on whether or not to continue to benchmark MPs' pay against public sector pay, as we have since 2015, given the current economic circumstances. No decision has been made, but in the meantime their pay remains unchanged.⁹

On 11 December 2020, IPSA announced that Members' pay would be frozen for 2021/22. It noted that its approach to setting Members' pay since 2015 was "intended to last a generation" but the impact of the Covid pandemic had prompted many respondents to the consultation to call on IPSA to take a different approach. It said that the IPSA Board would reflect on the consultation and publish its response in 2021.¹⁰

1.2 Members' pay 1997-2020

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.

⁶ Independent Parliamentary Standards Authority news, [MPs' pay for 2020-21 and Staff Budget Review](#), 5 March 2020

⁷ Independent Parliamentary Standards Authority news, [Periodic Adjustment to MPs' pay: consultation](#), 8 October 2020

⁸ BBC News, [MPs could get £3,000 pay rise under new proposals](#), 9 October 2020

⁹ IPSA, <https://twitter.com/ipsaUK/status/1330899665458524161>, 3:43pm, 23 November 2020

¹⁰ Independent Parliamentary Standards Authority news, [MPs' Pay Remains Unchanged for 2021-22](#), 11 December 2020

The table below sets out the changes in the levels of Members' salaries from 1997 to 2020.

Table 1: Members' pay, 1997-2020

(£ 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(a) | £51,822 |
| 1 April 2002 (b) | £55,118 |
| 1 April 2003 | £56,358 |
| 1 April 2004 | £57,485 |
| 1 April 2005 | £59,095 |
| 1 April 2006 (c) | £59,686 |
| 1 November 2006 (c) | £60,277 |
| 1 April 2007 (d) | £61,181 |
| 1 November 2007 (d) | £61,820 |
| 1 April 2008 (e) | £63,291 |
| 1 April 2009 (e) | £64,766 |
| 1 April 2010 (e) | £65,738 |
| 1 April 2011 (f) | £65,738 |
| 1 April 2012 (g) | £65,738 |
| 1 April 2013 (h) | £66,396 |
| 1 April 2014 (h) | £67,060 |
| 1 April 2015 (g) | £67,060 |
| 8 May 2015 (i) (j) | £74,000 |
| 1 April 2016 (i) | £74,962 |
| 1 April 2017 (i) | £76,011 |
| 1 April 2018 (i) | £77,379 |
| 1 April 2019 (i) | £79,468 |
| 1 April 2020 (i) | £81,932 |

(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.

1.3 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.¹¹

On 13 July 2005, the House of Commons agreed that additional salaries should be paid to members of the Panel of Chairs,¹² from 1 November 2005.¹³

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".¹⁴

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

¹¹ For further details, see House of Commons Library Briefing Paper, [Select committees – pay for chairs](#), SN02725

¹² MPs appointed by the Speaker to chair general committees

¹³ For further details, see House of Commons Library Briefing Paper, [Public bill and general committees: pay for chairs](#), SN03718

¹⁴ *Parliamentary Standards Act 2009* (chapter 13), section 4A(2)

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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

(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.¹⁵

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, until 15 January 2021);
- 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).¹⁶

¹⁵ [HC Deb 19 March 2013 cc900-902](#)

¹⁶ [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](#)

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.¹⁷

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 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.¹⁸

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.¹⁹

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

¹⁷ Independent Parliamentary Standards Authority, [Reviewing Pay for Chairs of Committees: A Consultation](#), March 2016

¹⁸ Independent Parliamentary Standards Authority, [Pay for Chairs of Committees: Final Report](#), May 2016

¹⁹ Independent Parliamentary Standards Authority news, [Decision on pay for chairs of committees confirmed by the Independent Parliamentary Standards Authority](#), 25 May 2016

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 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 2020, the additional salary is set at £16,422. 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.²⁰

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, nominal terms)

| | |
|--------------|---------|
| 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 |
| 1 April 2020 | £16,422 |

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

²⁰ Independent Parliamentary Standards Authority news, [IPSA announces outcome of MPs' pay consultation](#), 5 July 2018

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 2020, the additional salary is set at £16,422.

The additional salary rates for members of the Panel of Chairs, for 2013/14 to 2020/21, determined by IPSA, are set out in Table 3.

Table 3: Panel of chairs, additional salary
(£ per annum, nominal terms)

| Pre 2016 | Length of service | | | |
|---------------|-------------------|-----------|-----------|------------|
| | Less than | 1-3 years | 3-5 years | 5 years or |
| 01 April 2013 | 2,940 | 8,248 | 11,193 | 14,728 |
| 01 April 2014 | 2,970 | 8,331 | 11,305 | 14,876 |
| 01 April 2015 | 3,000 | 8,415 | 11,419 | 15,025 |
| Post 2016 | All chairs | | | |
| 01 June 2016 | 15,025 | | | |
| 01 April 2017 | 15,235 | | | |
| 01 April 2018 | 15,509 | | | |
| 01 April 2019 | 15,928 | | | |
| 01 April 2020 | 16,422 | | | |

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).

2. 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 (Twelfth Edition) came into effect on 1 April 2020.²¹ On 25 June 2020, IPSA issued an addendum to the Scheme for 2020/21 "in response to the exceptional circumstances created by the coronavirus pandemic". It allowed Members longer to submit claims; increased the budgets for office costs and staffing; and introduced a homeworking allowance for Members' staff.²²

The main expense budgets provided in IPSA's scheme and the maximum amounts that Members can claim in 2020/21 are set out below:

| | Initial limit | Additional budget # |
|--|---------------------|---------------------|
| Accommodation Costs | | |
| London area (rent) | £23,010 | |
| Outside London area (rent) | £16,120 | |
| Own home* | £5,410 | |
| Caring responsibility (per dependant) | £5,435 | |
| London Area Living Payment | £4,090 | |
| London Area Living Payment (addition) | £1,450 | |
| Staffing Costs | | |
| London Area MPs | £188,860 | £18,270 |
| non-London Area MPs | £177,550 | £16,480 |
| Office Costs | | |
| London Area MPs | £28,800 | up to £10,000^ |
| non-London Area MPs | £25,910 | up to £10,000^ |
| Start-up supplement | £6,000 | |
| Winding-up Costs | | |
| London Area MPs | £57,150 | |
| non-London Area MPs | £53,950 | |
| Winding-up Payment | Two months' salary* | |

"in response to the exceptional circumstances created by the coronavirus pandemic"□
 * net of tax and National Insurance contributions□
 ^ £10,000 increase to Office Costs was allowed in 2019/20, the portion of the £10,000 unspent in 2019/20 is available in 2020/21

Following a consultation on the Scheme, IPSA introduced some changes to the Twelfth Edition of the Scheme. Changes were made to the information MPs must provide when they sublet their offices and in relation to the provision of recommended security assistance.²³ In

²¹ Independent Parliamentary Standards Authority, [The Scheme of MPs' Business Costs and Expenses 2020-21](#) (Twelfth Edition), 12 March 2020, HC 95 2019-21

²² Independent Parliamentary Standards Authority, [Addendum to the Scheme of MPs' Business Costs and Expenses 2020-21](#), 25 June 2020, HC 555 2019-21

²³ Independent Parliamentary Standards Authority, [Consultation on changes to the Scheme of Business Costs and Expenses for 2020-21](#), 31 October 2019

addition, IPSA undertook a policy review on funding for MPs' staff. It concluded that substantial increases in staffing budgets were necessary to reflect adjustments to staff salary bands; and to support staff training, wellbeing, health and welfare.²⁴

2.1 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.²⁵

IPSA is also responsible for paying expenses under the Scheme it prepares.²⁶

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.²⁷

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*.

2.2 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.²⁸

²⁴ Independent Parliamentary Standards Authority, [Policy Review: Funding for MPs' Staff](#), March 2020

²⁵ *Parliamentary Standards Act 2009* (chapter 13), section 5(4)

²⁶ An overview of IPSA's duties and the background to its establishment can be found in the Annex

²⁷ 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

²⁸ Independent Parliamentary Standards Authority, [The MPs' Expenses Scheme](#), 29 March 2010, HC 501 2009-10, p3

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 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.²⁹

Additionally, IPSA undertakes assurance reports and policy reports that can lead to changes in its Scheme.

Consultation on changes (October 2019) and consequences for the Scheme of the policy review 'Funding for MPs' staff (March 2020)

IPSA undertook a consultation on the Scheme between October 2019 and January 2020. It proposed alterations to the arrangements for informing IPSA of subletting arrangements and changes to the rules on security assistance.³⁰ IPSA did not report separately on the outcome of the consultation exercise but changes were made to the Scheme.

The *Policy Review: Funding for MPs' Staff* recommended that job descriptions for MPs' staff should be updated; and staff salary ranges adjusted to reflect those changes. It confirmed that increases in the staffing budget would allow for a 2% cost of living increase for staff whose salaries were already within the new bands. It also noted that £4,000 had been "added to the staffing budget of each MP to provide additional support for training, wellbeing, health and welfare costs of their staff". IPSA also agreed to fund additional internship placements as part of the Speaker's Parliamentary Placement Scheme.³¹

2.3 MPs' Expenses Scheme Twelfth Edition

IPSA's [*The Scheme of MPs' Business Costs and Expenses 2020-21*](#) (Twelfth Edition) was published on 12 March 2020. Its provisions came into force on 1 April 2020.³² On 25 June 2020, IPSA issued an addendum to the Scheme for 2020/21 "in response to the exceptional circumstances created by the coronavirus pandemic".³³

²⁹ Independent Parliamentary Standards Authority, [*The MPs' Scheme of Business Costs and Expenses 2016-17*](#) (Eighth Edition), 22 March 2016, HC 854 2015-16, p3

³⁰ Independent Parliamentary Standards Authority, [*Consultation on changes to the Scheme of Business Costs and Expenses for 2020-21*](#), 31 October 2019

³¹ Independent Parliamentary Standards Authority, [*Policy Review: Funding for MPs' Staff*](#), March 2020

³² Independent Parliamentary Standards Authority, [*The Scheme of MPs' Business Costs and Expenses 2020-21*](#) (Twelfth Edition), 12 March 2020, HC 95 2019-21

³³ Independent Parliamentary Standards Authority, [*Addendum to the Scheme of MPs' Business Costs and Expenses 2020-21*](#), 25 June 2020, HC 555 2019-21

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”.³⁴

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.³⁵

Box 3: Fundamental principles of IPSA’s *The Scheme of MPs’ Business Costs and Expenses* (April 2020)

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.³⁶

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 (separate spreadsheet).

2.4 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

³⁴ IPSA, Twelfth Edition, p7

³⁵ 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

³⁶ IPSA, Twelfth Edition, p8

constituencies³⁷ – or to those who occupy 'grace and favour' accommodation.³⁸

Accommodation Costs will only cover hotel accommodation;³⁹ or rental payments and associated costs; or, for MPs who own their own property, associated costs.⁴⁰ 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.⁴¹

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".⁴²

For Members renting in the London area, the annual Accommodation Costs budget for 2020/21 is **£23,010**.⁴³

For Members renting outside London, the Accommodation Costs budget is lower: for 2020/21 it is **£16,120**.⁴⁴

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.⁴⁵ After the 2017 election, the rate was reduced to £5,000 per annum,⁴⁶ from £8,850 per annum. For 2020/21, the budget limit is £5,410.⁴⁷

The Scheme provides that MPs who share rental accommodation will be entitled to the full Accommodation Costs budget.⁴⁸ Reduced limits had applied to Members who shared accommodation in 2010/11.⁴⁹ But

For Members renting in the London area, the annual Accommodation Expenditure budget for 2020/21 is £23,010.

³⁷ 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)

³⁸ IPSA, *Twelfth Edition*, paras 4.1-4.2

³⁹ "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, *Twelfth Edition*, para 4.9]

⁴⁰ IPSA, *Twelfth Edition*, para 4.3

⁴¹ IPSA, *Twelfth Edition*, paras 4.4-4.5

⁴² 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

⁴³ IPSA, *Twelfth Edition*, para 4.10

⁴⁴ IPSA, *Twelfth Edition*, para 4.11

⁴⁵ 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

⁴⁶ IPSA, *Ninth Edition*, March 2017, HC 1024 2016-17, para 4.15

⁴⁷ IPSA, *Twelfth Edition*, para 4.15

⁴⁸ IPSA, *Twelfth Edition*, paras 4.26-4.27

⁴⁹ Independent Parliamentary Standards Authority, *The MPs' Expenses Scheme: Second Edition*, 26 July 2010, HC 405 2010-12, paras 5.14-5.15

since April 2011, Members who share have been entitled to the full Accommodation Costs budget.⁵⁰

Financial support for MPs' families

Members with caring responsibilities can claim additional budgets: eligibility depends on circumstances. In 2020/21, the additional budget limit is £5,345 per dependant,⁵¹ unchanged from 2017/18.

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

Under the Scheme in 2020/21 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.⁵²

Hotel costs

In 2020/21, 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 night⁵³

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.⁵⁴

⁵⁰ 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

⁵¹ IPSA, *Twelfth Edition*, para 4.16

⁵² IPSA, *Twelfth Edition*, para 3.17

⁵³ IPSA, *Twelfth Edition*, para 4.17

⁵⁴ IPSA, *Twelfth Edition*, para 4.9

2.5 London Area Living Payment

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

In 2020/21, the LALP is **£4,090** per financial year.⁵⁵

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. Since the 2017 general election only London Area MPs have been able to claim the payment.⁵⁶

Additionally, from 2011/12, MPs representing certain constituencies (outside Greater London) were able to claim a supplement to the London Area Living Payment.⁵⁷ In 2020/21 the London Area MPs outside Greater London are able to claim an additional **£1,450** per annum in London Area Living Payment.⁵⁸

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. A further seat was removed from the London Area in April 2012.

A list of London Area constituencies is given in Appendix 4. Appendix 4 also shows the constituencies that were removed in 2011 and 2012, and the constituencies which qualify for the additional payment.

2.6 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 2020/21 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.⁵⁹

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;

The London Area Living Payment of £4,090 is available to all London Area MPs.

A further £1,450 is available to London Area MPs outside Greater London.

Neither group claims Accommodation Expenses.

⁵⁵ IPSA, *Twelfth Edition*, para 5.4

⁵⁶ 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

⁵⁷ 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

⁵⁸ IPSA, *Twelfth Edition*, para 5.5

⁵⁹ IPSA, *Twelfth Edition*, para 9.1

d. journeys to and from other states in Europe. (No other international travel may be claimed, except under the circumstances described in paragraph 10.12, when Parliament is recalled.)⁶⁰

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.⁶¹

Motor mileage rates are set out in the Scheme.⁶² The rates for 2020/21 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” .⁶³

Previous restrictions, up to and including the Eighth Edition (2016/17), on travel by dependants and those who share caring responsibilities,⁶⁴ have been lifted. The 2020/21 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.⁶⁵

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.⁶⁶

⁶⁰ IPSA, *Twelfth Edition*, para 9.3

⁶¹ IPSA, *Twelfth Edition*, para 9.4

⁶² IPSA, *Twelfth Edition*, para 9.17. In 2010/11, they were included in guidance

⁶³ IPSA, *Twelfth Edition*, para 9.11

⁶⁴ IPSA, *Eighth Edition*, HC 854 2015-16, paras 9.18-9.25

⁶⁵ IPSA, *Twelfth Edition*, paras 9.7-9.10

⁶⁶ IPSA, *Twelfth Edition*, paras 9.22-9.32

Specific provision was previously made for late sittings of the House of Commons.⁶⁷ Now (since 2017/18) the Scheme provides for taxi travel or hotel accommodation as a result of "working late on parliamentary matters".⁶⁸

Limits for subsistence rates are set out in Appendix 1.

2.7 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.⁶⁹

For London Area Members the Staffing Costs budget is £188,860 plus a further £18,270.

From April 2020, the budget limits were initially set at £188,860 for London MPs and £177,550 for non-London Area MPs.⁷⁰ However, on 25 June 2020, "in order to respond to a rise in workload for their offices as a result of coronavirus", IPSA announced that:

For non-London Area Members, the budget is £177,550 plus a further £16,480

MPs may request an increase to their staffing budget for 2020-21, up to a maximum of £18,270 for London Area MPs and £16,480 for non-London Area MPs.⁷¹

The maximum budget for Staffing Costs (original amount) is based on Members employing four full-time equivalent members of staff.⁷² IPSA indicated that the additional funding provided in 2020/21 could be used "to take on new staff on a fixed-term basis, or to increase the contractual hours or overtime payments in respect of existing staff".⁷³

The 2020/21 Scheme originally provided that the Staffing Expenditure budget was 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;

⁶⁷ IPSA, *Eighth Edition*, HC 854 2015-16, paras 9.37-9.39

⁶⁸ IPSA, *Twelfth Edition*, paras 9.33-9.35

⁶⁹ 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

⁷⁰ IPSA, *Twelfth Edition*, paras 7.12-7.13

⁷¹ Independent Parliamentary Standards Authority, [Changes to the Scheme of MPs' business costs as a result of coronavirus](#), 25 June 2020, p2. 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

⁷² 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

⁷³ Independent Parliamentary Standards Authority, [Changes to the Scheme of MPs' business costs as a result of coronavirus](#), 25 June 2020, p2

- 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.⁷⁴

IPSA has made provision to allow Members to employ interns “provided that the employment conditions comply with the requirements of National Minimum Wage legislation”.⁷⁵

Review of funding for MPs’ staff

Before IPSA made available additional funds in 2020/21, to help Members respond to increased workloads as a result of coronavirus, there had already been a substantial increase in the staffing budgets. The London Area budget increased by 13.1% (from £166,930 to £188,860) and the non-London Area budget increased by 13.9% (from £155,930 to £177,550). These increases followed a policy review on the *Funding for MPs’ staff*.⁷⁶

In the review, IPSA found that:

- there was evidence of high and increasing demand for the services that MPs and their staff provide;
- staff were handling complex work, sometimes without the necessary training;
- there were low levels of spending on staff training and health and welfare; and
- there was a high level of staff turnover but no systematic data on why staff left their jobs.

IPSA commented that the squeeze on resources was not unique to MPs. It was not persuaded that “simply increasing the number of staff members in MPs’ offices to take up the slack for other public services is the first solution to addressing these concerns”. Rather, it considered how it could support MPs to be better employers.⁷⁷

It expected the increase in the original budgets for 2020/21 to allow MPs to review the job descriptions of their staff (IPSA updated its standard job descriptions for new staff). Staff salaries were adjusted as a result of the new job descriptions. IPSA noted that some ranges “will

⁷⁴ IPSA, *Twelfth Edition*, para 7.4

⁷⁵ IPSA, *Twelfth Edition*, para 7.10

⁷⁶ Independent Parliamentary Standards Authority, [Policy Review: Funding for MPs’ Staff](#), March 2020

⁷⁷ Independent Parliamentary Standards Authority, [Policy Review: Funding for MPs’ Staff](#), March 2020, p5

see increases of up to 12 per cent". The increased budgets enabled "MPs to move their staff onto an updated job description, and for them to be paid a fair market rate for their work" and a cost of living increase of 2% for staff already on rates within the new ranges. Provision was also made for training, health and wellbeing:

An extra amount of £4,000 has been added to the staffing budget of each MP to provide additional support for training, wellbeing, health and welfare costs of their staff. This is intended to cover two to three days of training and wellbeing per year for each staff member, as well as one-off health and welfare costs, such as eye tests or occupational health assessments.⁷⁸

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" (see Box 4), unless arrangements to employ more than one such person were in place when the Scheme came into effect. Since the general election of 2017, IPSA has no longer paid the salaries and other costs of any new employees who are connected parties.⁷⁹

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 2006.⁸⁰

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 2006.⁸¹

Following its May 2016 consultation exercise, 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.⁸²

⁷⁸ Independent Parliamentary Standards Authority, [Policy Review: Funding for MPs' Staff](#), March 2020, p6

⁷⁹ The Scheme makes provision for individuals who become connected parties

⁸⁰ Independent Parliamentary Standards Authority, *The MPs' Expenses Scheme*, 29 March 2010, HC 501 2009-10, Summary of the Scheme, para 34

⁸¹ IPSA, *Ninth Edition*, March 2017, HC 1024 2016-17, para 3.19

⁸² 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 138; see also IPSA, *Eleventh Edition*, para 3.24

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.

2.8 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;
- d. funding of any material, other than websites, that contains a party political logo or emblem; or
- e. personal accountancy or tax advice.⁸³

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.⁸⁴ In 2020/21, a budget limit of **£28,800** applies for London MPs and **£25,910** for non-London Area MPs.⁸⁵

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. This amount 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.⁸⁶

Homeworking allowance

On 25 June 2020, "in order to respond to a rise in workload for their offices as a result of coronavirus", IPSA announced that a homeworking allowance, would be introduced. It was payable to MPs' staff who were

For London Area Members the Office Costs Expenditure budget is £28,800

For non-London Area Members the budget is £25,910

Because of the pandemic, an additional £10,000 was made available in March 2019. Any of that funding which had not been spent could be carried forward to 2020/21.

⁸³ IPSA, *Twelfth Edition*, paras 6.1 and 6.4-6.5

⁸⁴ IPSA, *Twelfth Edition*, paras 6.2-6.3

⁸⁵ IPSA, *Twelfth Edition*, paras 6.10-6.11

⁸⁶ 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

working from home, “to cover homeworking expenses such as telephone, internet, electricity and gas usage”. The allowance would be paid from the office costs budget. It was set at £26 per month:

3.5 The homeworking allowance amount is £26 per month. Payment of this amount will be back-dated for eligible staff members to 1 April 2020 and will be pro-rated for staff members who start or end their employment during a month after the homeworking allowance is made available.

3.6 In respect of a staff member in receipt of the homeworking allowance, IPSA will not accept claims (or will seek repayment of claims already paid) under paragraphs 6.6 and 6.16 of the main Scheme for costs which are incurred as a result of homeworking and are additional to those which are part of the normal cost of living in the home, including:

- a. Energy and water bills;
- b. Contents insurance; or
- c. Rental and usage costs for telephone and internet access.⁸⁷

Guidance confirmed that “The homeworking allowance is an alternative to making individual claims under paragraph 6.6 and 6.16 of the Scheme. Staff members must be working from home to be eligible for the allowance but do not have to register their home as an office”.⁸⁸ Paragraphs 6.6 and 6.16 already allowed claims for working from home, as long as home offices were registered with IPSA and claims did not relate to the normal costs of living in the home.⁸⁹

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.⁹⁰

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.⁹¹

⁸⁷ Independent Parliamentary Standards Authority, [Changes to the Scheme of MPs' business costs as a result of coronavirus](#), 25 June 2020, paras 3.5-3.6

⁸⁸ *Ibid*

⁸⁹ IPSA, *Twelfth Edition*, paras 6.6 and 6.16

⁹⁰ See, for example, IPSA, *Eighth Edition*, HC 854 2015-16, paras 8.1-8.4

⁹¹ IPSA, *Ninth Edition*, March 2017, HC 1024 2016-17, paras 6.12-6.14 and IPSA, *Twelfth Edition*, paras 6.12-6.14

2.9 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.⁹²

The costs of staff redundancy payments are met from the contingency fund.⁹³

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)”.⁹⁴ (In 2010/11, the limit did not discriminate between London and non-London MPs.⁹⁵) 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.⁹⁶

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”.⁹⁷ (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.⁹⁸

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

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

⁹² IPSA, *Twelfth Edition*, paras 8.1-8.3

⁹³ IPSA, *Twelfth Edition*, para 8.7

⁹⁴ Independent Parliamentary Standards Authority, *Annual Review of MPs’ Expenses Scheme 2011*, “Report on the Consultation of January-February 2011”, March 2011, para 9.3

⁹⁵ 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

⁹⁶ 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

⁹⁷ IPSA, *Fourth Edition*, HC 1868 2010-12, para 8.9; IPSA, *Twelfth Edition*, para 8.8. Before the transitional arrangements for MPs who had mortgages ended in August 2012, mortgage interest payments were also covered

⁹⁸ IPSA, *Eleventh Edition*, para 8.4; IPSA *Twelfth Edition*, para 8.4

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:

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?⁹⁹

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.¹⁰⁰

2.10 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

⁹⁹ Independent Parliamentary Standards Authority, [Review of MPs’ remuneration: A consultation](#), May 2018

¹⁰⁰ Independent Parliamentary Standards Authority, [Review of MPs’ remuneration: Consultation report](#), October 2018 (updated June 2019), para 27

deductions. It will be paid at the beginning of the two-month winding-up period.¹⁰¹

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 sought views on introducing a payment equivalent to two months' net salary.¹⁰²

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.¹⁰³

2.11 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".¹⁰⁴

From the beginning of the 2015 Parliament, the interim arrangement has been replaced by a permanent Loss of Office Payment. The 2020/21 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.¹⁰⁵

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

¹⁰¹ IPSA. *Eleventh Edition*, paras 8.12.-8.13. IPSA. *Twelfth Edition*, paras 8.12.-8.13

¹⁰² Independent Parliamentary Standards Authority, [Review of MPs' remuneration: A consultation](#), May 2018

¹⁰³ Independent Parliamentary Standards Authority, [Review of MPs' remuneration: Consultation report](#), October 2018 (updated June 2019), para 27

¹⁰⁴ IPSA, *Seventh Edition*, HC 1078 2014-15, paras 8.13-8.14

¹⁰⁵ IPSA, *Twelfth Edition*, paras 8.14-8.15

continuous period of at least two years at the point they lose their seats.¹⁰⁶

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.¹⁰⁷

2.12 Miscellaneous Expenses

Security assistance

In its consultation on the Scheme in October 2019, IPSA made some proposals to clarify the rules on security assistance. In the 2019/20 Scheme, security measures applied to MPs' registered constituency offices, IPSA-funded accommodation or MPs' private residences could be funded. IPSA proposed broadening "the wording of the rules in order to allow IPSA the flexibility to fund recommended or further measures at other properties in specific situations".

IPSA also noted that it had "funded a range of other types of measures on police advice, including for MPs moving between properties, and may continue to do so in future as police recommendations evolve". It proposed to clarify that measures could be funded to protect a person or persons, rather than a property.

It also proposed that further security measures should be provided for MPs' staff, when they had been recommended by the police.¹⁰⁸

The Twelfth Edition of IPSA's Scheme reflects these proposals. IPSA will fund "the cost of security measures as recommended by the National Police Chiefs' Council from the security assistance budget", for MPs' offices, IPSA-funded accommodation, private residence and those measures "unrelated to specific properties".¹⁰⁹ The Scheme also provides that:

10.7 IPSA will also fund further security measures as recommended by the police or the Parliamentary Liaison and Investigation Team on a case-by-case basis and in accordance with agreed processes, for individual MPs who have additional security requirements....

10.8 Further security measures may be funded for individuals other than the MP, such as family members or staff members, based on police advice.¹¹⁰

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 2020/21 Scheme:

In the event of a recall of Parliament during recess, IPSA will pay claims for any reasonable travel by MPs and their spouses,

¹⁰⁶ IPSA, *Twelfth Edition*, after para 8.15

¹⁰⁷ IPSA, *Twelfth Edition*, para 8.16

¹⁰⁸ Independent Parliamentary Standards Authority, [Consultation on changes to the Scheme of Business Costs and Expenses for 2020-21](#), 31 October 2019

¹⁰⁹ IPSA, *Twelfth Edition*, paras 10.5-10.6

¹¹⁰ IPSA, *Twelfth Edition*, paras 10.7-10.8

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.¹¹¹

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.¹¹²

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.¹¹³

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.¹¹⁴

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.¹¹⁵

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.¹¹⁶

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

¹¹¹ IPSA, *Twelfth Edition*, para 10.12

¹¹² IPSA, *Sixth Edition*, “Report on the Consultation of 2013-14”, paras 65-72

¹¹³ IPSA, “Recall of Parliament”, *MP Bulletin 46*, 9 August 2011

¹¹⁴ IPSA, *Twelfth Edition*, paras 10.13-10.19

¹¹⁵ IPSA, *Eleventh Edition*, para 10.16

¹¹⁶ Independent Parliamentary Standards Authority, *Minor change to the Scheme of MPs’ Business Costs and Expenses. Consultation Report*, May 2019, para 8

a simple way for MPs to account for use of their IPSA-funded equipment for campaigning purposes".¹¹⁷

In its review, IPSA had noted that there were risks associated with this approach. Members would need to confirm that a flat fee constituted a reasonable commercial rate and they would need to ensure that they remained within campaign spending limits. IPSA said that it would ask MPs to sign a declaration "that they understand and accept the terms of hire"¹¹⁸

Other Miscellaneous Expenses

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

2.13 Parental leave for MPs - consultation

MPs, as office holders, do not qualify for maternity or paternity leave. They continue to receive their parliamentary salary unless they are suspended from the service of the House.

On 16 February 2021, IPSA issued a consultation entitled "Funding for MP parental leave cover and staff reservists leave".

The consultation proposes changes to the Scheme of MPs' Business Costs for 2021-22 to provide funding for cover where MPs choose to take a period of parental leave. In the consultation document, IPSA set out its proposals for changes:

We are proposing to create a specific MP Parental Leave Cover Fund and a new policy which will clearly set out MPs' eligibility for funding and how we will provide it.

9. The proposed policy would state:

- That funding for cover will normally be provided for a maximum period of seven months for the biological mother or primary adopter (with a maximum of six months after the birth), and two weeks for the biological father, partner or second adopter – although longer periods may be agreed on a case-by-case basis.
- That the use of IPSA funding for cover is otherwise subject to the normal rules on staffing costs, including in respect of the requirement for staff to be employed on a standard contract, job description and salary range.
- That MPs who request funding for cover during a period of parental leave should either provide IPSA with a MatB1 or an adoption matching certificate or have an agreed proxy voting arrangement in place.

10. This would formalise the provisions already in place for MPs who take a period of leave after the birth or adoption of a child and would make clear that MPs are entitled to this funding.

11. In addition to this change, we are undertaking a further phase of work to improve the practical support IPSA provides to MPs and their offices during a period of leave, such as tailored training

¹¹⁷ *Ibid*, para 12

¹¹⁸ *Ibid*, paras 14-15

and ‘keeping in touch ‘days. We also want to explore whether changes to the online system could make it easier for designated proxies to continue to manage the office ‘s business costs while the MP is absent. We will be seeking views as we do this over the coming months.

Consultation questions:

- Do you agree that a new MP Parental Leave Cover Fund should be created?
- Do you have any comments about the proposed rules of eligibility for this funding?
- Is there anything else IPSA should take into account when deciding on its policy in this area?¹¹⁹

The consultation closes on 1 March 2021.

Current position

IPSA’s then Chair, Ruth Evans, made a statement on maternity cover, in June 2019, which set out the current position:

Members of Parliament are paid in full while on maternity, paternity or adoption leave. They receive a full salary from the day they are elected until the day they leave Parliament.

IPSA provides additional funding for all MPs’ offices to cover absences. To provide MPs with extra money, IPSA asks for an explanation to be provided of how the additional money would be spent.

We support proposals to allow maternity cover for MPs, and this would be for the House of Commons to take forward. We will work closely with Parliament on any changes they wish to introduce and on providing the funding to support this. The IPSA Board will be discussing these issues next week, and meeting the Speaker’s Committee in July, to support any move by Parliament to assist MPs.

In the last few years, we have more than doubled the funding available for MPs’ dependants to support family life and will continue to strive to modernise our rules.¹²⁰

IPSA made provision for Stella Creasy to appoint a “locum MP”, whilst she was on maternity leave in late 2019 and early 2020.¹²¹

¹¹⁹ Independent Parliamentary Standards Authority, [Consultation: Funding for MP parental leave cover and staff reservists leave](#), February 2021, paras 8-11

¹²⁰ Independent Parliamentary Standards Authority news, [Maternity Pay and Cover for MPs](#), 18 June 2019

¹²¹ See the advert: w4mp, [Locum MP \(Maternity Cover\)](#), 2 October 2019; and Samuel Fishwick, [“Stella Creasy on being the first MP to have maternity cover and why misogyny is still a blind spot”](#), *Evening Standard*, 5 November 2019

3. 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.

At present ministers in both Houses do not receive their full ministerial salaries. Currently ministers in the House of Commons receive their MP's salary and the following additional amounts as ministers:

| | |
|---|---------|
| Prime Minister: | £75,440 |
| Cabinet Minister | £67,505 |
| Minister of State: | £31,680 |
| Parliamentary Under-Secretary of State: | £22,475 |

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 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.

Ministerial pay for ministers in both Houses was frozen again in 2020/21.

3.1 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.¹²²

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.¹²³ However the 1996 Senior Salaries Review Body (SSRB) report,¹²⁴ 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

¹²² Lords ministers who are unpaid are entitled to claim parliamentary allowances in the House of Lords

¹²³ 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

¹²⁴ Review Body on Senior Salaries, *Review of Parliamentary pay and allowances*, Report No. 38, Cm 3330-I, 1996

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 2 of this Paper.

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.

3.2 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.¹²⁵ 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 2010/11.¹²⁶

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.¹²⁷

¹²⁵ 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

¹²⁶ HC Deb 17 June 2008 cc47WS-48WS; HC Deb 31 March 2009 c62WS; and HC Deb 10 March 2010 cc18WS-19WS

¹²⁷ "[Gordon Brown reveals his massive pay cut](#)", *Daily Mirror*, 21 April 2010

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 2012.¹²⁸

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 the previous administration”; and that it would impose a ministerial pay freeze for the lifetime of the 2010 Parliament.¹²⁹

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.¹³⁰

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 2012/13.¹³¹

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 2016.¹³²

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

¹²⁸ 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

¹²⁹ 10 Downing Street press release, *A new politics: cutting Ministerial pay*, Thursday 13 May 2010

¹³⁰ 10 Downing Street press release, *A new politics: cutting Ministerial pay*, Thursday 13 May 2010

¹³¹ HM Treasury, *Annual Report and Accounts 2013-14*, July 2014, HC 20 2014-15, p71

¹³² [Ministerial and other Salaries Act 1975 \(Amendment\) Order 2011](#), SI 2011/1689, Article 4

the pay of the ministers in the government".¹³³ 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.

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 £142,500.¹³⁴

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 £149,440.¹³⁵ 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".¹³⁶

However, in May 2019, an increase in the salaries of ministers in the House of Lords was announced (see below).

Ministerial pay freeze in the 2019 Parliament

When data was released on ministerial salaries from 1 April 2020, it was confirmed that the amounts received by Commons and Lords ministers were unchanged from the previous year.

3.3 Ministerial salaries since 2015 – House of Commons

Following the ministerial pay freeze in the 2015 Parliament, ministerial pay (entitlement) 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

¹³³ David Cameron, "The two-speed society stops right here: this is one nation", *Sunday Times*, 24 May 2015

¹³⁴ BBC News, [David Cameron announces freeze in ministers' pay](#), 24 May 2015

¹³⁵ 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

¹³⁶ Cabinet Office, [Ministerial salary data](#), December 2018

entitlements increased by 0.43% on 1 April 2016; by 0.42% on both 1 April 2017 and 1 April 2018; by 1.36% on 1 April 2019; and by 0.82% on 1 April 2020. 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)

In addition to the full MP's salary
(£ per annum, nominal terms)

| | Prime Minister | Cabinet Minister | Minister of State | Parly Under-Sec |
|------------------------|----------------|------------------|-------------------|-----------------|
| <u>Entitlement</u> | | | | |
| 31 March 2015 | 77,238 | 69,254 | 33,207 | 23,844 |
| 01 April 2016 | 77,570 | 69,552 | 33,350 | 23,947 |
| 01 April 2017 | 77,896 | 69,844 | 33,490 | 24,048 |
| 01 April 2018 | 78,223 | 70,137 | 33,360 | 24,149 |
| 01 April 2019 | 79,286 | 71,090 | 34,087 | 24,477 |
| 01 April 2020 | 79,936 | 71,673 | 34,367 | 34,678 |
| <u>Amount received</u> | | | | |
| Whole period | 75,440 | 67,505 | 31,680 | 22,475 |

Source: Cabinet Office, [Ministerial salary data](#), October 2020

Appendix 3 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 2015.¹³⁷

Lords Ministers' salaries were not increased in April 2020. The effect is shown in Table 5.

Table 5: Ministerial salaries – entitlements and amounts received: Lords ministers (since March 2015)
(£ per annum, nominal terms)

| | Entitlement Amount received | |
|--------------------------|-----------------------------|----------|
| <u>Cabinet Minister</u> | | |
| 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 |
| 01 April 2020 | £105,216 | £104,360 |
| <u>Minister of State</u> | | |
| 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 |
| 01 April 2020 | £82,153 | £81,485 |

Source: Cabinet Office, [Ministerial salary data](#), October 2020

¹³⁷ [HLWS1514](#), 9 May 2019

Annex: Background - The establishment, duties and structure of the Independent Parliamentary Standards Authority (IPSA)

The establishment of 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*.¹³⁸ 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".¹³⁹

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.¹⁴⁰

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.

¹³⁸ 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)

¹³⁹ HC Deb 29 June 2009 c44

¹⁴⁰ Committee on Standards in Public Life, *MPs' expenses and allowances: Supporting parliament, safeguarding the taxpayer*, November 2009 Cm 7724

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;
- 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 2012.¹⁴¹ These provisions were brought into force on 24 May 2011.¹⁴²

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.

The role and duties of the Compliance Officer are outlined in the Library Briefing Paper [The Compliance Officer](#) (SN05987, April 2020).

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.¹⁴³

Additionally, the *Constitutional Reform and Governance Act 2010* transferred the administration of the Parliamentary Contributory Pension Fund to IPSA.¹⁴⁴ 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)

¹⁴¹ [Constitutional Reform and Governance Act 2010](#) (chapter 25), section 29

¹⁴² [Constitutional Reform and Governance Act 2010 \(Commencement No. 5\) Order 2011](#), SI 2011/1274

¹⁴³ *Parliamentary Standards Act 2009* (chapter 13) as amended, section 3A

¹⁴⁴ *Constitutional Reform and Governance Act 2010* (chapter 25), section 40 and Schedule 6

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";
- 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.¹⁴⁵

For more information on the membership of and appointment process to the IPSA Board, see the Library Briefing Paper, [Appointment of the IPSA Board](#) (SN06489).

¹⁴⁵ *Parliamentary Standards Act 2009* (chapter 13), Schedule 1

Appendices 1 to 3

Appendices 1 to 3 are available in an Excel Spreadsheet attached to the [landing page](#) for this Briefing Paper.

Appendix 1: IPSA's MPs' Expenses Scheme - summary of rates 2010/11 to 2020/21

Contents of Appendix 1

- (a) Accommodation expenses for London
- (b) Bandings for Accommodation expenses outside London
- (c) London Area Living Payment
- (d) Staffing, Office and Administrative Expenses
- (e) Start-up and Winding-up Expenses
- (f) Travel and subsistence

Appendix 2: Ministerial salary entitlements, since 1997/98

Contents of Appendix 2

- (a) Ministers and office-holders in Commons
- (b) Ministers and office-holders in Lords
- (c) Notes to Appendix 2

Appendix 3: Ministerial salaries - a comparison of entitlements and amounts received since 2008

Appendix 4: London Area constituencies

Accommodation Expenditure is payable only to non-London Area MPs.

The 96 seats (numbered) currently in the London-Area are listed below.

- | | |
|------------------------------------|--------------------------------------|
| 1. Barking | 49. Hayes & Harlington |
| 2. Battersea | 50. Hendon |
| 3. Beaconsfield | 51. Hertford & Stortford |
| 4. Beckenham | 52. Hertsmere |
| 5. Bermondsey & Old Southwark | 53. Holborn & St Pancras |
| 6. Bethnal Green & Bow | 54. Hornchurch & Upminster |
| 7. Bexleyheath & Crayford | 55. Hornsey & Wood Green |
| 8. Brent Central | 56. Ilford North |
| 9. Brent North | 57. Ilford South |
| 10. Brentford & Isleworth | 58. Islington North |
| 11. Brentwood & Ongar | 59. Islington South & Finsbury |
| 12. Bromley & Chislehurst | 60. Kensington |
| 13. Broxbourne | 61. Kingston & Surbiton |
| 14. Camberwell & Peckham | 62. Lewisham East |
| 15. Carshalton & Wallington | 63. Lewisham West & Penge |
| 16. Chelsea & Fulham | 64. Lewisham, Deptford |
| 17. Chingford & Woodford Green | 65. Leyton & Wanstead |
| 18. Chipping Barnet | 66. Mitcham & Morden |
| 19. Cities of London & Westminster | 67. Mole Valley |
| 20. Croydon Central | 68. Old Bexley & Sidcup |
| 21. Croydon North | 69. Orpington |
| 22. Croydon South | 70. Poplar & Limehouse |
| 23. Dagenham & Rainham | 71. Putney |
| 24. Dartford | 72. Reigate |
| 25. Dulwich & West Norwood | 73. Richmond Park |
| 26. Ealing Central & Acton | 74. Romford |
| 27. Ealing North | 75. Ruislip, Northwood & Pinner |
| 28. Ealing, Southall | 76. Runnymede & Weybridge |
| 29. East Ham | 77. Sevenoaks |
| 30. East Surrey | 78. Slough |
| 31. Edmonton | 79. South West Hertfordshire |
| 32. Eltham | 80. Spelthorne |
| 33. Enfield North | 81. St Albans |
| 34. Enfield, Southgate | 82. Streatham |
| 35. Epping Forest | 83. Sutton & Cheam |
| 36. Epsom & Ewell | 84. Thurrock |
| 37. Erith & Thamesmead | 85. Tooting |
| 38. Esher & Walton | 86. Tottenham |
| 39. Feltham & Heston | 87. Twickenham |
| 40. Finchley & Golders Green | 88. Uxbridge & South Ruislip |
| 41. Greenwich & Woolwich | 89. Vauxhall |
| 42. Hackney North & Stoke | 90. Walthamstow |
| 43. Hackney South & Shoreditch | 91. Watford |
| 44. Hammersmith | 92. Welwyn Hatfield |
| 45. Hampstead & Kilburn | 93. West Ham |
| 46. Harlow | 94. Westminster North |
| 47. Harrow East | 95. Wimbledon |
| 48. Harrow West | 96. Windsor |

The 96 seats have been defined as London-Area constituencies since the introduction of IPSA's first Scheme. Those in **bold text** are (were, see below) eligible for the addition to the London Area Living Payment.

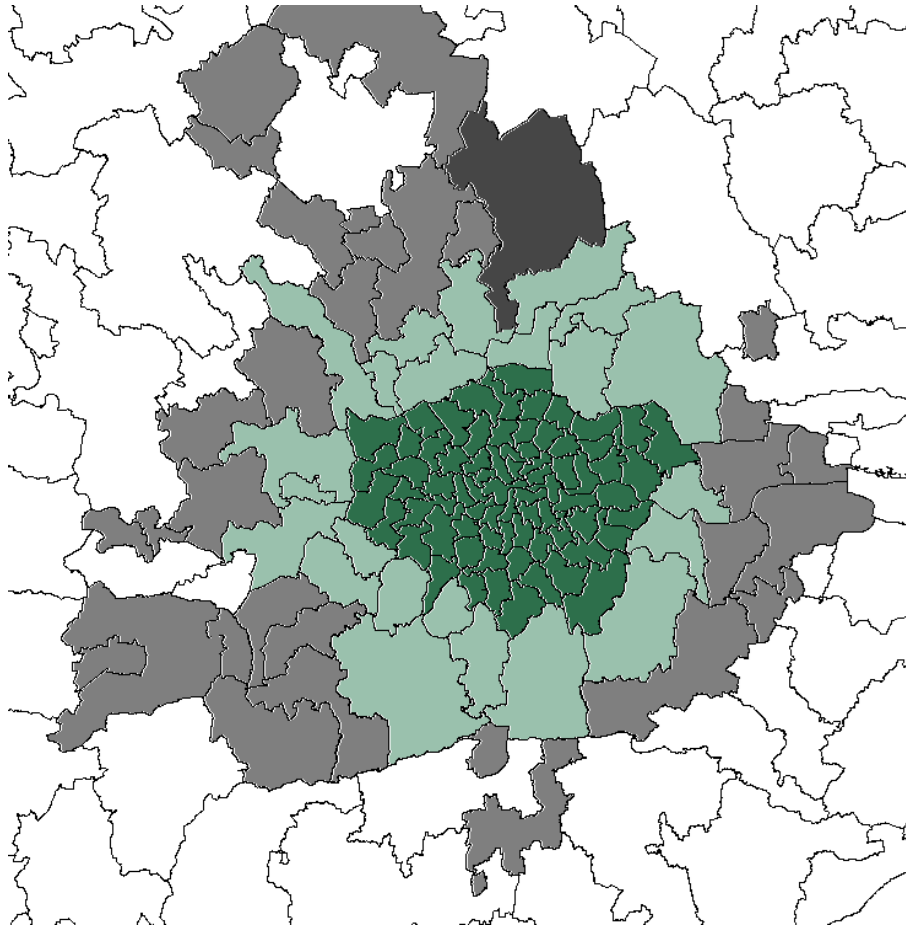
In April 2010, there were 128 London Area constituencies. In April 2011, this was reduced to 97; and in April 2012, one further seat (North East Hertfordshire) was removed from the list of London Area constituencies.

The seats removed from the London Area in April 2011 and April 2012 (marked *) are listed below





| | |
|-----------------------|----------------------------------|
| Aldershot | Milton Keynes North |
| Basildon & Billericay | Milton Keynes South |
| Basingstoke | North East Bedfordshire |
| Castle Point | North East Hampshire |
| Chatham & Aylesford | North East Hertfordshire* |
| Chelmsford | Reading East |
| Chesham & Amersham | Reading West |
| Crawley | Rochester & Strood |
| Gravesham | South Basildon & East Thurrock |
| Guildford | South West Bedfordshire |
| Hemel Hempstead | South West Surrey |
| Hitchin & Harpenden | Stevenage* |
| Luton North | Surrey Heath* |
| Luton South | Tonbridge & Malling* |
| Maidenhead | Woking* |
| Mid Sussex | Wycombe* |

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 5: Library Briefing 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

[Members' pay and expenses and ministerial salaries 2019/20](#), CBP08839, 2 March 2020

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