

# Research and Information Service Briefing Paper

Paper 17/25 February 2025 NIAR 18-2025

# Members' Pay and Allowances: regimes and provisions

Ray McCaffrey

This information is provided to Members of the Legislative Assembly (MLAs) in support of their duties, and is not intended to address the specific circumstances of any particular individual. It should not be relied upon as professional legal advice, or as a substitute for it.

# 1 Introduction

This briefing paper has been prepared to inform the work of the Ad Hoc Committee on the Assembly Members (Remuneration Board) Bill.

It provides information on the main aspects of regimes governing the pay and allowances of members of the Senedd, Scottish Parliament, House of Commons, Dáil Eireann and Seanad Éireann.

# 2 Structure of the paper

Section 1 of the paper provides a brief introduction, section 3 sets out the context of the research. Section 4 provides detail on which bodies are responsible for the administration of members' pay and allowances in other jurisdictions. Section 5 provides costs associated with the various pay and allowances regimes.

# 3 Context of the research

This research paper has been written in the context of ongoing consultations/proposed revisions to members' pay and associated costs in the Scottish Parliament, Senedd and House of Commons. However, the research uses data from the current pay and expenses regimes. For reference, Appendix 1 sets out some of the proposed changes in the other jurisdictions.

# 4 The responsibility for members' pay and allowances in other jurisdictions

### 4.1 Senedd

The Independent Remuneration Board of the Senedd was established under section 3 of the National Assembly for Wales (Remuneration) Measure 2010.

The Board's functions, which are set out in section 3 of the 2010 Measure, are to "determine the level of remuneration and system of financial support for

Members which enables them to perform their Members' duties." The Board's decision is set out in the Determination.

In addition: "The Board has a statutory responsibility to ensure probity, accountability, value for money and transparency with respect to the expenditure of public funds."<sup>2</sup>

Under Section 13 of the 2010 Measure the Board the Board may not make more than one Determination per Senedd session, unless it believes there are exceptional circumstances to allow it to do so. Members pay is automatically adjusted on an annual basis.

According to the most recent Determination:

3.2.1. Subject to paragraph 3.2.2, the pay of Members and office holders will be adjusted in April of each year by the change in the Annual Survey of Hours and Earnings, annual gross Median Earnings for full-time employee jobs in Wales between April and April of the previous year.

3.2.2. The adjustment made by paragraph 3.2.1 will be no lower than zero per cent and no higher than three per cent.<sup>3</sup>

The Board regularly considers if any changes to the Determination are needed in advance of the next financial year to ensure the remuneration package is sufficient.

Section 2(4) sets out a list of consultees and requires the Board to consult with those that might be affected by its decisions before it exercises any of its functions, except when the Board considers that there are circumstances that would make it inappropriate to do so. The consultees are:

Members of the Senedd

<sup>3</sup> As at footnote 1

<sup>&</sup>lt;sup>1</sup> Remuneration Board, Determination on Members' Pay and Allowances 2024-25 (Number 2): https://remunerationboard.wales/media/2qcj5ggm/determination-2024-25-clean.pdf

<sup>&</sup>lt;sup>2</sup> As above

staff employed by Members of the Senedd (or by groups of Members),

- relevant trade unions, and
- such other persons as it considers appropriate.<sup>4</sup>

The 2010 Measure amended the Government of Wales Act 2006 so that the Assembly Commission must give effect to any determination made by the Board.

In addition to its statutory duties, when making its Determination the Board has regard to the following principles:

- a. financial support and remuneration for Members should support the strategic purpose of the Senedd and facilitate the work of its Members;
- b. decisions must be appropriate within the context of Welsh earnings and the wider financial circumstances of Wales;
- c. the system of financial support for Members must be robust, clear, transparent, sustainable, inclusive, and represent value for money for the taxpayer.<sup>5</sup>

According to its latest Annual Report:

The Senedd Commission provides the Board with secretariat support to enable it to operate effectively. The budget for administrative support for the Board and the budget to meet all costs arising from the Determination is allocated by the Senedd Commission annually.<sup>6</sup>

# 4.1.1 Membership

<sup>&</sup>lt;sup>4</sup> National Assembly for Wales (Remuneration) Measure 2010: https://www.legislation\_gov.uk/mwa/2010/4/section/2

<sup>&</sup>lt;sup>5</sup> Remuneration Board, Determination on Members' Pay and Allowances 2024-25 (Number 2)

<sup>&</sup>lt;sup>6</sup> Annual Report of the Independent Remuneration Board 2023-24, June 2024: https://senedd.wales/media/b50in4ji/gen-ld16525-e.pdf

Section 1 of the 2010 Measure establishes the Remuneration Board and states: "The members of the Board are the Chair and four other members." The current membership of the Board is listed at Appendix 2.

Section 1(7) of the 2010 Measure states:

The validity of the proceedings of the Board is not affected by—

- (a) a vacancy among the members, or
- (b) a defect in the appointment of a member.8

Schedule 1 sets out persons who are disqualified from membership of the Board. They are:

- (a) a Member of the Senedd,
- (b) the Counsel General (if not a Member of the Senedd),
- (c) a candidate for election as a Member of the Senedd,
- (d) a person whose name could, if the seat of a Member of the Senedd became vacant, be required to be notified to the Presiding Officer under section 11 of the Act (vacant seats),
- (e) a member of the European Parliament, House of Commons, Scottish Parliament or Northern Ireland Assembly,
- (f) a member of the staff of the Senedd,
- (g) a member of the staff of the Welsh Government,
- (h) a person employed by a Member of the Senedd or by a group of Members for the purpose of assisting that member or the members of that group to perform the functions of a Member of the Senedd,
- (i) the Auditor General for Wales,

National Assembly for Wales (Remuneration) Measure 2010: https://www.legislation.gov.uk/mwa/2010/4/section/1

<sup>&</sup>lt;sup>8</sup> As above

- (j) the Senedd Commissioner for Standards,
- (k) a member of the Senedd Commission Corporate Governance Committee,
- (I) a person holding the appointment of Independent Adviser to the Senedd Commission,
- (m) a person holding the appointment of Non-Executive Director of the Welsh Government.<sup>9</sup>

The Chair and other members of the Board hold office for a fixed term of five years from the date of their respective appointments. No person may be appointed to be a member of the Board if that person has already been appointed to be a member of the Board on two occasions.<sup>10</sup>

# 4.2 Scottish Parliament

The Scottish Parliament may make provision for the payment of salaries and allowances to members of the Parliament and Government under section 81 of the Scotland Act 1998. In practice, the Scottish Parliamentary Corporate Body (SCPB) is responsible for setting salaries and allowances.

The Scottish Parliament Salaries Scheme<sup>11</sup> and Reimbursement of Members' Expenses Scheme<sup>12</sup> set out how salaries and expenses are administered.

According to the Salaries Scheme:

...any salary payable by virtue of the Scheme shall be amended to reflect any increase in the index for the mean annual earnings of public-sector full

<sup>&</sup>lt;sup>9</sup> National Assembly for Wales (Remuneration) Measure 2010 (Disqualification from Remuneration Board) Order 2014 amends the list of persons who are disqualified from being members of the Board. Members of the House of Lords and persons who were members of either of the panels appointed by the Assembly Commission to review the pay and allowances of Assembly Members in pursuance of the Assembly Commission's resolutions of 4 July 2007 and 8 May 2008 are no longer disqualified from being members of the Board: <a href="https://www.legislation.gov.uk/mwa/2010/4">https://www.legislation.gov.uk/mwa/2010/4</a>

<sup>&</sup>lt;sup>10</sup> National Assembly for Wales (Remuneration) Measure 2010

<sup>&</sup>lt;sup>11</sup> The Scottish Parliament Salaries Scheme: <a href="https://www.parliament.scot/-/media/files/msps/msp-salaries-scheme.pdf">https://www.parliament.scot/-/media/files/msps/msp-salaries-scheme.pdf</a>

<sup>&</sup>lt;sup>12</sup> Scottish Parliament Reimbursement of Members' Expenses Scheme: <a href="https://www.parliament.scot/media/files/msps/allowances/members-expense-scheme-2023.pdf">https://www.parliament.scot/media/files/msps/allowances/members-expense-scheme-2023.pdf</a>

-time workers in Scotland as provided for by the Annual Survey of Hours and Earnings produced by the Office of National Statistics, or such other index as the Parliamentary Corporation may from time to time deem appropriate.

#### Furthermore:

- (1) The Parliamentary corporation may, at such intervals as it deems appropriate, make arrangements to review and determine the salaries payable...and, in consequence of a review, shall determine the salaries payable.
- (2) In discharging its function under sub paragraph (1), the Parliamentary corporation shall obtain advice on salary levels from such person or persons as it deems appropriate and, in relation to the review of salaries payable by virtue of paragraph 4 (this relates to Ministerial office holders), shall, in addition, consult the First Minister.<sup>13</sup>

In its budget proposal for 2024-25, the SCPB's position was that:

MSP salaries are recommended to increase in line with the Average Weekly Earnings (AWE) index of 6.7%. This represents a change in index selection for 2024-25, moving away from the Annual Survey of Hours and Earnings (ASHE) index...the ASHE index, which was published on 1 November 2023 is, at 5.6%, below the other wage inflation indicators for the second consecutive year. As such, the SPCB has recommended the adoption of AWE as the index for uprating of MSP salaries for the Budget year 2024-25.<sup>14</sup>

The Reimbursement Scheme "sets out the provisions available to support members in carrying out their parliamentary duties and the principles and rules

<sup>&</sup>lt;sup>13</sup> The Scottish Parliament Salaries Scheme

<sup>&</sup>lt;sup>14</sup> Finance and Public Administration Committee 2nd Meeting, 2024 (Session 6), Tuesday 16 January 2024, SPCB budget bid 2024-2

members must abide by in making a claim for reimbursement under the Scheme."<sup>15</sup>

#### It further states:

- 1.2.2 In exercising its functions under the Scheme, the Scottish
  Parliamentary Corporate Body (SCPB) may make such arrangements as it
  sees fit for administration of the Scheme and for determining any claims
  and may, in particular:-
- (a) prescribe the form and manner in which claims are submitted and the manner in which claims are verified:
- (b) on the submission of a claim by a member, reimburse expenses incurred by that member;
- (c) issue guidance to members on the operation of the Scheme;
- (d) prescribe time limits for the submission of claims and determine the consequences of failure to comply with any such time limits; and
- (e) do anything else which the SPCB considers necessary or expedient in connection with the administration of the Scheme.<sup>16</sup>

#### 4.3 House of Commons

The Independent Parliamentary Standards Authority (IPSA) was established under the Parliamentary Standards Act 2009<sup>17</sup>, amended by the Constitutional Reform and Governance Act 2010<sup>18</sup>. IPSA has three main responsibilities:

- to regulate MPs' staffing and business costs
- to determine MPs' pay and pension arrangements

<sup>&</sup>lt;sup>15</sup> Scottish Parliament Reimbursement of Members' Expenses Scheme:

<sup>&</sup>lt;sup>16</sup> As above

<sup>&</sup>lt;sup>17</sup> Parliamentary Standards Act 2009: https://www.legislation.gov.uk/ukpga/2009/13

<sup>&</sup>lt;sup>18</sup> Constitutional Reform and Governance Act 2010: https://www.legislation.gov.uk/ukpga/2010/25/contents

 to provide financial support to MPs in carrying out their parliamentary functions.<sup>19</sup>

IPSA is required to publish Determinations on members' salaries.

Section 4A(7) of the Parliamentary Standards Act 2009 states that:

In reviewing a determination (and before making the first determination) the IPSA must consult—

- (a) the Review Body on Senior Salaries,
- (b) persons appearing to the IPSA to represent persons likely to be affected by the determination or the review,
- (c) the Minister for the Civil Service,
- (d) the Treasury, and
- (e) any other person the IPSA considers appropriate.<sup>20</sup>

In its report *Supporting Democracy - MPs' pay report 2024*, IPSA set out its rationale for increasing members' pay:

In recent years we have adjusted MPs' pay based on a measure produced by the Office for National Statistics (ONS), known as KAC9. The measure looks at the average weekly earnings in the public sector, with the annual growth in pay measured as a percentage.

In 2023, exceptional payments were made to some public sector workers – for example, one-off cost of living bonuses.

These payments resulted in the ONS measure we use not reflecting the pay increase the vast majority of the public sector saw.

The medium term trend in public sector pay is growth of 5.3% – based on the same official data – but also taking into account growth in pay since

<sup>&</sup>lt;sup>19</sup> Independent Parliamentary Standards Authority – Who We Are: <a href="https://www.theipsa.org.uk/who-we-are">https://www.theipsa.org.uk/who-we-are</a>

<sup>&</sup>lt;sup>20</sup> Parliamentary Standards Act 2009

the start of the last financial year. This gives a view of what has been happening to public sector pay before, and after, the exceptional payments made to some lower paid frontline workers.

Our Board, therefore, took the view that the usual headline index we use was not providing the accurate read of the underlying trends in public sector pay we needed.

In other words, the index does not achieve what we need it to. Indeed, the ONS has urged caution in using it as a guide this year.

Given that one of the pay principles we use – that of reflecting the experience of other working citizens – could not be met by the metric published in December 2023, we decided to move away from using the measure for the 2024 pay increase.

Taking that – and other actual pay awards into account – we have decided the MPs' pay increase for the financial year 2024/25 should be 5.5%. This means MPs' pay will be £91,346 per year. The figure of 5.5% is in line with the award recently agreed for the Senior Civil Service.<sup>21</sup>

IPSA is also responsible for preparing, reviewing and revising an allowances scheme for MPs. In doing so it must 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,

Providing research and information services to the Northern Ireland Assembly

Supporting Democracy - MPs' pay report 2024, March 2024:
<a href="https://assets.ctfassets.net/nc7h1cs4q6ic/2p6wlkGWOFSxNLGMtaKCVP/57e9f583e6e5a9ca805eb25a23a08e0a/Supporting Democracy MPs">https://assets.ctfassets.net/nc7h1cs4q6ic/2p6wlkGWOFSxNLGMtaKCVP/57e9f583e6e5a9ca805eb25a23a08e0a/Supporting Democracy MPs</a> pay report 2024 IPSA.pdf

- (g) Her Majesty's Revenue and Customs,
- (h) the Treasury, and

(i) any other person the IPSA considers appropriate.<sup>22</sup>

# 4.3.1 Membership

The Parliamentary Standards Act 2009 sets out the membership requirements for IPSA. Part 1 of Schedule 1 of the 2009 Act states:

- (1) The IPSA is to consist of the following members—
  - (a) one member who is to chair it ("the chair") appointed in accordance with paragraph 2, and
  - (b) four other members (referred to in this Schedule as "ordinary members") appointed in accordance with that paragraph.
- (2) At least one of the members of the IPSA must be a person who has held (but no longer holds) high judicial office (within the meaning of Part 3 of the Constitutional Reform Act 2005 (c. 4)).
- (3) At least one of the members of the IPSA must be a person who is eligible for appointment as a statutory auditor by virtue of Chapter 2 of Part 42 of the Companies Act 2006.
- (4) One of the members of the IPSA ("the Parliamentary member") must be a person who has been (but is no longer) a member of the House of Commons.<sup>23</sup>
- (5) Apart from the Parliamentary member, a person who has been a member of the House of Commons at any time within the last five years may not be a member of the IPSA.

<sup>&</sup>lt;sup>22</sup> House of Commons Library, *Members' pay and expenses 2023/24*, March 2024: <a href="https://researchbriefings.files.parliament.uk/documents/CBP-9995/CBP-9995.pdf">https://researchbriefings.files.parliament.uk/documents/CBP-9995/CBP-9995.pdf</a>

<sup>&</sup>lt;sup>23</sup> Parliamentary Standards Act 2009: <a href="https://www.legislation.gov.uk/ukpga/2009/13/schedule/1">https://www.legislation.gov.uk/ukpga/2009/13/schedule/1</a>

Members of the Board are appointed for fixed terms of up to five years. They can also be reappointed for a further term of up to three years.<sup>24</sup> The current membership of the Board is listed at Appendix 3.

The Board is supported by an executive, which is responsible for the day-to-day running of IPSA. The Board also appoints an independent Compliance Officer, who investigates complaints made about MPs' claims and reviews decisions taken by IPSA.

#### 4.4 Dáil Eireann

The Department of Public Expenditure, NDP Delivery and Reform is responsible for setting the salaries of members of the Oireachtas and office holders. The pay scales are linked to the Public Service Pay Agreement 2024 – 2026. At 1 October 2024 this equated to:

- A general round increase in annualised basic salary for all public servants of 2.25% or €1,125, whichever is greater, on 1 January 2024.
- A general round increase in annualised basic salary for all public servants of 1% on 1 June 2024.
- A general round increase in annualised basic salary for all public servants of 1% or €500, whichever is greater, on 1 October 2024.

The website of the Department further states:

In 2020 the Government decided that members of the Government and Ministers of State would gift 10% of their remuneration (Ministerial and TD/Senator pay) as of September 2019 to the State on an annual basis together with all the value of the pay increase due on 1 October 2020 (2%). The gifting figure is a fixed amount and is approximately 10% of the combined Officeholder and TD salaries.

<sup>&</sup>lt;sup>24</sup> IPSA - Who We Are

In the second stage debate on Houses of the Oireachtas Commission (Amendment) Bill 2024, Minister for Public Expenditure, National Development Plan Delivery and Reform (Deputy Paschal Donohoe), stated:

The commission does not set the level of remuneration payable to TDs and Senators. Responsibility for salaries, pensions and allowances is conferred on me in my role as the Minister for public expenditure.<sup>25</sup>

25

# 5 Information on pay and allowances regimes

This section presents information on pay and allowances in the selected legislatures, including the administration of the regimes.

Table 1: Salaries in selected legislatures – basic pay for members (£ except for Dáil Éireann and Seanad Éireann)

Northern Ireland Assembly	Scottish Parliament	Senedd	House of Commons	Dáil Éireann (euros)	Seanad Éireann (euros)
52,500	72,196	72,057	91,346	113,679	79,614

# 5.1 Scottish Parliament

**Table 2: Scottish Parliament** 

Salaries (£) (Figures in brackets show total when a member's salary is included)			
Member's salary	72,196		
First Minister	104,584 (176,780)		
Cabinet Secretary	54,256 (126,452)		
Minister	33,989 (106,185)		
Presiding Officer	54,256 (126,452)		
<b>Deputy Presiding Officer</b>	33,989 (106,185)		
Lord Advocate	70,881 (143,077)		
Solicitor General for Scotland	51,257 (123,453)		

Expenses entitlement			
Office cost provision	21,100 (Members can flex up to £6,357 from Engagement Provision to Office Cost Provision in 2024/25)		
Engagement provision	17,400 (Members can flex up to £6,357 from Office Cost Provision to Engagement Provision in 2024/25)		
Staff cost provision	156,900		
Winding-up provision	9,152 for Constituency Members. Regional Members will be advised on an individual basis as required but will equate to one third of their maximum OCP (Office cost provision).		
	Setting members' pay and expenses		
Body that sets pay and expenses	The Scottish Parliament may make provision for the payment of salaries to members under the Scotland Act 1998.		
Associated costs	Unspecified.		
Approach	Section 81 of the Act provides that Scottish Parliament may make provision for the payment of salaries and allowances of MSPs and members of the Scottish Government.  The Scottish Parliament Salaries Scheme originally established that the salary levels for MSPs		
	were set at the equivalent of 87.5% of MPs pay. It also provides that the Parliamentary		

corporation shall, at such intervals as it deems appropriate, make arrangements to review and determine the salaries and, in consequence of a review, shall determine the salaries payable. In 2015, the Scottish Parliament voted to end the link with MPs' salaries by amending the Salaries Scheme. Since 2015-16 the MSP pay budget has been calculated on the basis that pay will be uprated on 1 April by the Annual Survey of Hours and Earnings (ASHE) index published annually in the previous autumn. This had initially enabled a high level of certainty around these salary costs. However, the SPCB recommended, in its Budget bid 2024-25, the adoption of Average Weekly Earnings (AWE) as the index for uprating of MSP salaries, in a move away from the Annual Survey of Hours and Earnings (ASHE Mean) which had become misaligned with other wage inflation indices in recent years. This approach is maintained in the current proposal for 2025-26, in light of recent reporting of ASHE Mean at 6.7%, "further evidencing the misalignment".<sup>26</sup> **Administration of regime Salaries** The Scottish Parliament, under the Scotland Act 1998, confers functions on the Parliamentary corporation (the SPCB) to pay salaries to members in accordance with the Scottish Parliament Salaries Scheme.

<sup>26</sup> Finance and Public Administration Committee, 2nd Meeting 2025 (Session 6) Tuesday 14 January 2025, SPCB budget bid 2025-26: <a href="https://www.parliament.scot/~/media/committ/9600/Paper-1-SPCB-Budget-Bid-202526--Note-by-the-Clerk">https://www.parliament.scot/~/media/committ/9600/Paper-1-SPCB-Budget-Bid-202526--Note-by-the-Clerk</a>

# Expenses The Allowances Office is responsible for administering the Reimbursement of the Members' Expenses Scheme. Regulation/verification of members' expenses

# **Expenses**

In submitting a claim, a member must act in accordance with the principles of the Expenses Scheme, which are objectivity, accountability, openness, integrity, selflessness, honesty, leadership and equality.

The SCPB can prescribe the form and manner in which claims are submitted and the manner in which claims are verified. Where a member is entitled to reimbursement of expenses or costs under the Scheme, the member shall complete and authenticate any form or other documentation provided or required by the SPCB.

Where a member disputes a decision either not to reimburse expenses or costs or not to approve expenses or costs for reimbursement, the SPCB may review that decision. Any decision of the SPCB on review is final and it shall intimate the result of that review to the member.

The SPCB may investigate any claim. Where, following such an investigation, the SPCB finds that a member has submitted an improper claim, the SPCB may report to the Standards, Procedures and Public Appointments Committee and may recommend the removal of all or part of the member's entitlement to reimbursement of expenses under this Scheme for such period and to such extent as the SPCB may specify.

# 5.2 Senedd

Table 3: Senedd

Salaries (	£) (Figures in brackets show total when a member's salary is included)	
Member's salary	72,057	
First Minister	85,567 (157,624)	
Welsh Minister	40,531 (112,588)	
Counsel General	40,531 (112,588)	
Deputy Minister	23,644 (95,701)	
Presiding Officer	46,160 (118,217)	
<b>Deputy Presiding Officer</b>	23,644 (95,701)	
Senedd Commissioner	14,636 (86,693)	
Committee Chair (higher)	14,636 (86,693)	
Committee Chair (lower)	9,751 (81,808)	
Business Committee member	9,751 (81,808)	
Leader of a Political Group not in Government	14,636 + 1,126 per Member up to 40,536 (up to a maximum of 112,588)	
Expenses entitlement		
Office cost provision	£26,630 where the Member maintains an office in the Member's constituency or Region, or	
	£10,880 where the Member undertakes constituency or regional duties exclusively from the	
	office facilities in Tŷ Hywel, Cardiff Bay.	

	In exceptional circumstances, a Member may draw money from the following year's allowance
	subject to prior agreement from Members' Business Support. Any such money will be deducted
	from their budget for the following year.
Staff cost provision	A Member is entitled to claim staffing expenditure costs, up to a maximum of £130,602 for
	persons employed by them where those costs are wholly, exclusively and necessarily incurred
	to enable the performance of the Member's duties.
Winding-up allowance	The amount that can be claimed is to be governed by a written winding-up plan agreed
	between the Members' Business Support Team and the former Member. The amount is
	calculated by reference to the period agreed for the winding-up and the Office and Constituent
	Liaison Fund, Residential Accommodation Expenditure and that part of the Staffing
	Expenditure Allowance which provides for the actual salaries in payment to staff employed by
	the former Member on the day that the former Member ceased to be a Member. The agreed
	winding-up plan is to have a maximum duration of three months and no claim will be
	considered in relation to costs incurred after the expiry of the period of the plan.
	The Board is considering changes to this approach as part of its intention to issue an
	exceptional Determination in the near future.
	Setting members' pay and expenses
Body that sets pay and expenses	Independent Remuneration Board of the Senedd.

	The Board was established by the National Assembly for Wales (Remuneration) Measure 2010. The Board regularly considers if any changes to the Determination are needed in advance of the next financial year to ensure the remuneration package is sufficient.  The National Assembly for Wales (Remuneration) Measure 2010 amended the Government of Wales Act 2006 so that the Assembly Commission must give effect to any determination made by the Board.
Associated costs	£535,460.09 for 2023-24.
Approach	The decisions set out in the Determination are based on evidence gathered from Members, their staff, and other relevant individuals, organisations and sources and come from transparent and participative review of the system of financial support and remuneration.  The Board uses the Annual Survey of Hours and Earnings (ASHE) to uprate salaries.  The current Determination is based on the fact that the pay of Members and office holders will be adjusted in April of each year by the change in the Annual Survey of Hours and Earnings, annual gross Median Earnings for full-time employee jobs in Wales between April and April of the previous year. Furthermore, the adjustment made will be no lower than zero per cent and no higher than three per cent.

	However, the Board is currently proposing a removal of this cap as "should the cap remain, Members' pay increases will not keep pace with relevant economic indicators and Members' pay will have decreased significantly in comparative and in real terms." <sup>27</sup>
	Administration of regime
Salaries	Members' Business Support Team within the Senedd.
Expenses	Members' Business Support.  The team provides advice and guidance to Assembly Members and their Support Staff on all aspects of financial support available to Members to help them in their role as elected representatives. The Members' Business Support Team is also responsible for issuing advice and guidance to Members in their role as employers.  Any questions of entitlement to an allowance or claim for reimbursement of costs in accordance with this Determination are to be decided, in the first instance, by the Members' Business Support Team, on behalf of the Chief Executive and Clerk as Accounting Officer. If a Member is dissatisfied with the decision, they may request that the matter be referred for a decision by the Chief Executive and Clerk. Before reaching a decision on any such question, the Chief Executive and Clerk may, if it is necessary or desirable to do so, seek clarification about the

<sup>&</sup>lt;sup>27</sup> Remuneration Board, Annual Review of the Determination 2025/26, 8 January 2025: https://business.senedd.wales/documents/s156668/Annual%20Review%20of%20the%20Determination%20Proposals%20for%202025-26.pdf

interpretation of this Determination from the Board. In doing so, the Chief Executive and Clerk must avoid, so far as possible, disclosing the identity of the Member.

#### 5.3 House of Commons

**Table 4: House of Commons** 

Salary and entitlement (£) (Figures in brackets show total when a member's salary is included) <sup>28</sup>			
Member's salary	91,346		
Prime Minister	75,440 (166,786)		
<b>Cabinet Minister</b>	67,505 (158,851)		
Minister of State	31,680 (123,026)		
Parliamentary Under- Secretary of State	22,375 (113,721)		
Select Committee Chair	18,309 (109,655)		
Members' expenses			
Office cost provision	36,550 for London MPs, 33,020 for non-London Area MPs		
Staff cost provision	268,550 for London MPs, 250,820 for non-London MPs		
Winding-up allowance	Winding-up costs may be claimed by former MPs from the budgets outlined in the Scheme to support		
	them in completing their outstanding parliamentary functions, including the costs of closing down		

Over a number of years increases in ministerial pay have been permitted under the Act but have not been claimed: ministerial salaries have been frozen and remain so. Ministerial salaries paid to ministers who are members of the House of Commons have been frozen since 2010. In May 2010 overall remuneration of ministers (ministerial and parliamentary salaries) was cut by 5% compared to the previous Government and then frozen for the duration of the 2010-2015 Parliament. Ministerial salaries (the element of ministerial remuneration the government controls) have since remained frozen for Commons ministers, meaning further reductions in real terms over time: <a href="https://assets.publishing.service.gov.uk/media/6399bd4be90e072af09c9292/2022-12-07-Ministerial-Salaries-22-23-table.pdf">https://assets.publishing.service.gov.uk/media/6399bd4be90e072af09c9292/2022-12-07-Ministerial-Salaries-22-23-table.pdf</a>

	constituency offices. Winding-up costs may be claimed following a general election by former MPs who have not stood for re-election or have lost their seat at the election, as well as by those who cease to be MPs during a parliament.  For former MPs who either stand down or lose their seats at a general election, the winding-up period starts on the day after the election. For those who cease to be MPs during a parliament, the winding-up period starts on the day after the seat is vacated.  Since July 2023 the winding-up period has been four months. The payment is equivalent to four months' salary.
	Setting members' pay and expenses
Body that sets pay and expenses	Independent Parliamentary Standards Authority (IPSA).  IPSA was created by the Parliamentary Standards Act 2009 after the MPs' expenses scandal in that same year. It is independent of the Government and Parliament and is responsible for regulatory and administrative functions.  IPSA must review Members' pay in the first year of each new Parliament and at any other time it considers appropriate.
Associated costs	Approximately £10.8m in operational costs for 2023-24. <sup>29</sup>

<sup>29</sup> IPSA, Annual Report and Accounts for 2023-24: https://assets.ctfassets.net/nc7h1cs4q6ic/2hjLw1hEVbALV7xokLr3wa/dfb818a09b30e124f55058e2392683cf/Annaul\_reports\_and\_accounts\_2023-24\_accesible\_version\_.pdf

# **Approach**

MPs pay is linked to changes in public sector earnings. IPSA's report *Supporting Democracy* (March 2024) states:

"In recent years we have adjusted MPs' pay based on a measure produced by the Office for National Statistics (ONS), known as KAC9. The measure looks at the average weekly earnings in the public sector, with the annual growth in pay measured as a percentage.

In 2023, exceptional payments were made to some public sector workers – for example, one-off cost of living bonuses.

These payments resulted in the ONS measure we use not reflecting the pay increase the vast majority of the public sector saw. The medium term trend in public sector pay is growth of 5.3% – based on the same official data – but also taking into account growth in pay since the start of the last financial year. This gives a view of what has been happening to public sector pay before, and after, the exceptional payments made to some lower paid frontline workers. Our Board, therefore, took the view that the usual headline index we use was not providing the accurate read of the underlying trends in public sector pay we needed.

In other words, the index does not achieve what we need it to. Indeed, the ONS has urged caution in using it as a guide this year.

Given that one of the pay principles we use – that of reflecting the experience of other working citizens – could not be met by the metric published in December 2023, we decided to move away from using the measure for the 2024 pay increase. Taking that – and other actual pay awards into account – we have decided the MPs' pay increase for the financial year 2024/25 should be 5.5%. This

	means MPs' pay will be £91,346 per year. The figure of 5.5% is in line with the award recently agreed for the Senior Civil Service." <sup>30</sup>
	Administration of regime
Salaries	IPSA's statutory remit is to provide independent regulation and administration of MPs' pay, pensions, business costs and expenses; determines the salaries and pensions of MPs and pays the salaries of MPs and their staff.
Expenses	IPSA sets and regulates the Scheme of MPs' Business Costs and Expenses (the Scheme); administers the Scheme.

<sup>&</sup>lt;sup>30</sup> IPSA, Supporting democracy: MPs' Pay Report, March 2024:
<a href="https://assets.ctfassets.net/nc7h1cs4q6ic/2p6wlkGWOFSxNLGMtaKCVP/57e9f583e6e5a9ca805eb25a23a08e0a/Supporting\_Democracy\_MPs\_pay\_report\_2024\_IPSA.pdf">https://assets.ctfassets.net/nc7h1cs4q6ic/2p6wlkGWOFSxNLGMtaKCVP/57e9f583e6e5a9ca805eb25a23a08e0a/Supporting\_Democracy\_MPs\_pay\_report\_2024\_IPSA.pdf</a>

# 5.4 Dáil Éireann

Table 5: Dáil Éireann

Salary and expens	ses entitlement (euros) (Figures in brackets show total when a member's salary is included)	
Member's salary	113,679	
Taoiseach	130,216 (243,895)	
Tánaiste	111,294 (224,973)	
Minister	92,938 (206,617)	
Minister of State	45,846 (159,525)	
Ceann Comhairle	141,834 (255,513)	
Leas Ceann Comhairle	61,892 (175,571)	
Attorney General	205,372	
Chairperson of Committee	10,888 (124,567)	
<b>Commission Member</b>	10,888 (124,567)	
Senator	79,614	
Cathaoirleach	55,886 (135,500)	
Leas-Chathaoirleach	31,965 (111,579)	
Commission member	10,888 (90,502)	
Expenses entitlement		
Constituency office establishment allowance	Up to a maximum of €8,000. This is not available to Senators.	

Public Representation Allowance <sup>31</sup>	Members of Dáil Éireann (including an office holder but excluding a Minister of the Government or Minister of State) €20,350.  Ministers of the Government and Minsters of State €16,000.  Members of Seanad Éireann (including an Office Holder but excluding a Minister of the Government or Minister of State) €12,225  All Members that received the PRA are eligible for selection for audit. At least 10% of Members may be chosen for audit. Audits are conducted by an independent auditor on an annual basis. As the expenses of any Members can be audited, Members must retain receipts, vouchers, proof of payment, etc., for all expenditure under the PRA for a period of five years with the exception of the monthly amounts specified in respect of incidental expenditure. Members are advised that all invoices should be in their own name. To assist with the auditing process, Members are also advised to keep a schedule of expenses used under each of the allowable categories. Members may be chosen for audit a number of times due to the random nature of the selection process.
Staff cost provision	Under the scheme for secretarial assistance, TDs, Senators and political parties directly employ their own assistants, administrators and chefs de cabinet, but these staff are paid by the Houses of the Oireachtas Commission.  Members of Dáil Éireann are entitled to one full-time Administrative Assistant. In addition, they may choose one of the following options:

<sup>&</sup>lt;sup>31</sup> PRA covers the costs associated with Members' work as public representatives, such as office rental, leaflet printing and web hosting. The categories of expenses allowable under the PRA vary according to the Member's role. PRA expenses must be vouched and are subject to an annual limit.

	<ul> <li>Employ one full-time Parliamentary Assistant under the Scheme (enabling a Deputy to have two staff), or</li> <li>A fully vouched allowance for secretarial assistance by employing a Temporary Vouched Employee (TVE) or a contract for service to undertake defined work such as secretarial assistance, PR, IT (but not web related) or training.</li> <li>Members of Seanad Éireann are entitled to 50% of one Administrative Assistant. In addition, they may choose one of the following options:</li> <li>An additional 50% of an Administrative Assistant under the Scheme (enabling a Senator to have one full-time Administrative Assistant), or</li> <li>A fully vouched allowance for secretarial assistance by employing a Temporary Vouched Employee (TVE) or a contract for service to undertake defined work such as secretarial assistance, PR, IT (but not web related) or training.</li> </ul>			
Setting members' pay and expenses				
Body that sets pay and expenses	The salaries of Members of Dáil Eireann are set via government legislation, initiated by the Minister for Public Expenditure, NDP Delivery and Reform.			
Associated costs	Unspecified.			

Approach				
Approach	The Houses of the Oireachtas Commission has the power to regulate the provision of secretarial			
	facilities to Members and qualifying parties. This function transferred from the Minister for Finance on			
	the establishment of the Commission on 1 January 2004.			
	The Commission also regulates the number of staff employed under the Scheme for Secretarial			
	Assistance and has oversight of the operation of the Scheme. However, the Minister for Public			
	Expenditure and Reform retains authority for terms and conditions of employment (e.g. pay and hours of work) under the Scheme.			
	Significant reductions were applied to the pay of Oireachtas Members and certain office holders			
	through a number of measures since 2009, the last of which was under the Financial Emergency			
	Measures in the Public Interest (FEMPI) Act 2013 which came into effect on 1 July 2013. The effect of			
	those reductions was that the gross annual salary of the Taoiseach was reduced by more than 35%,			
	and that of the Tánaiste and Ministers by more than 30%. The rates have subsequently increased			
	since 1 April 2017 under the provisions of the Financial Emergency Measures in the Public Interest			
	(FEMPI) Act 2015 and the Public Service Pay & Pensions (PSPP) Act 2017.			
Administration of regime				
Salaries	The HR Salaries Section provides payroll services to all groups.			
Expenses	Members' Services processes most of the allowances due to members and provides guidance and			
	assistance to them on allowable expenses, salaries and related issues.			
	The Secretarial Allowance for Members is administered by the One Stop Shop within the Dáil.			

# Appendix 1

Proposed changes to pay and expenses regimes in the Senedd, Scottish Parliament and House of Commons

#### Senedd

In correspondence published on 8 January 2025, the Remuneration Board proposed to make an exceptional Determination to:

...remove the cap on Members' salaries, as the latest published data confirms a sustained period of consistent growth in average earnings in Wales. Given the circumstances have changed since its introduction at the start of this term, the retention of the cap, in light of the latest data, would run counter to the Board's core objectives and principles.<sup>32</sup>

Some of the key proposals are set out below.

# **Proposal 1**

To increase the amount Members may claim for business costs, unless otherwise specified, by the January 2025 CPI rate.

### **Proposal 2**

To make an exceptional Determination to remove paragraph 3.2.2 of the Determination and removing the 3% cap on annual indexation. Members' and additional office holders' salaries will increase by the ASHE Wales figure of 6% in 2025/26, rounded to the nearest £1.

<sup>&</sup>lt;sup>32</sup> Remuneration Board, Annual Review of the Determination 2025/26

#### **Proposal 13**

To introduce entitlement to winding up their office payments for current Members at the end of this Senedd term, as follows:

- A winding up payment, equivalent to 2 months' salary, payable to Members who do not stand for re-election;
- A winding up payment, equivalent to 3 months' salary, payable to Members who are candidates for re-election but not re-elected.

The following table sets out the proposed salaries of Members' and additional office holders for 2025/26.

Role	Salary	
Member	£76,380	
Additional Office Holder	Additional Salary	Total salary
First Minister	£90,701	£167,081
Welsh Minister	£42,963	£119,343
Counsel General	£42,963	£119,343
Deputy Minister	£25,063	£101,443
Presiding Officer	£48,930	£125,310
Deputy Presiding Officer	£25,063	£101,443
Senedd Commissioner	£15,514	£91,894
Committee Chair (higher)	£15,514	£91,894
Committee Chair (lower)	£10,336	£86,716
Business Committee Member	£10,336	£86,716
Leader of a Group not in Government	£15,514 + £1,194 per	Up to a maximum of
	Member	£119,343

#### **Scottish Parliament**

Information taken from Finance and Public Administration Committee, 2<sup>nd</sup> Meeting 2025 (Session 6), Tuesday 14 January 2025

SCPB budget bid 2025-26

- MSP salaries are recommended to increase in line with the Average Weekly Earnings (AWE) index of 3.2%, to £74,506.
- The SPCB recommended, in its Budget bid 2024-25, the adoption of AWE as the index for uprating of MSP salaries, in a move away from the

Annual Survey of Hours and Earnings (ASHE Mean) which had become misaligned with other wage inflation indices in recent years. This approach is maintained in the current proposal, in light of recent reporting of ASHE Mean at 6.7%, "further evidencing the misalignment".

 The current bid also uses AWE as the uprating index for the Staff Cost Provision, in line with the approach taken in 2023-24 and 2024-25 (the previous approach used a combination of AWE and the ASHE index), resulting in a rate of £162,000 per Member.

#### **House of Commons**

# Information taken from IPSA website:

We launched a small-scale technical consultation with statutory consultees and stakeholders. We are proposing, as an interim measure for one year, a pay increase of 2.8% based on a range of metrics we use to decide MPs' pay. Following the consultation, the Board will decide on what increase to apply to MPs' pay, which will take effect from 1 April 2025.

# Appendix 2

# Membership of the Senedd Remuneration Board – information taken from website of the Remuneration Board

**Dr. Elizabeth Haywood (Chair):** Elizabeth is an experienced Non-Executive Director and Chair. She was previously a Board member of Natural Resources Wales and Chair of its Flood Risk Management Committee, a Board member of Scottish Power Energy Networks, Hendre Group, Leonard Cheshire, an independent member of the Welsh Audit Office's Remuneration Board, and inaugural Chair of WCVA Services Ltd. She chaired the Welsh Government's Ministerial Task Force on City Regions.

Her early career was spent in the European Parliament and the Welsh Development Agency, before being appointed Director of CBI Wales, Communications Director of the Association of Train Operating Companies and then running an executive search firm based in Cardiff and London.

She has an economics degree from Cardiff University, a PhD and an honorary doctorate from Swansea, was the recipient of the first Welsh Woman of the Year Award and is an honorary Fellow of Trinity St David's University.

Elizabeth was appointed as Chair of the Independent Remuneration Board of the Senedd in June 2020.

**Dame Jane Roberts:** Jane is Visiting Fellow in Public Leadership at The Open University Business School.

Jane was Leader of the London Borough of Camden Council from 2000 to 2005 following which she has served in a range of non-executive roles including as Chair of the Councillors Commission for the Department of Communities and Local Government, Chair of Parenting UK, a member of the Ofsted board, Chair of New Local Government Network and currently Chair of the charities, Living Streets and Stammering Children.

She is also a member of the Advisory Group of the Welsh Centre for Public Policy. Jane was appointed a DBE in 2004. Professionally, she is a medical doctor and is an Honorary Consultant Child and Adolescent Psychiatrist with experience of senior healthcare management in the NHS.

Jane has published a number of academic articles in paediatrics, psychiatry and politics. She co-edited 'The Politics of Attachment' (1996) with Sebastian Kraemer and is the author of 'Losing Political Office' (2017). She was awarded a PhD at The Open University (2021).

Jane has been a member of the Independent Remuneration Board since 2015.

**Hugh Widdis:** Hugh Widdis is the Permanent Secretary of the Department of Justice. He took up the position in April 2024. He has 24 years of experience in parliamentary, government and legal services.

Hugh served from 2015 to 2024 as the Head of the Government Legal Service for Northern Ireland, and Departmental Solicitor for the Northern Ireland Executive. During 2017-18 he served as Permanent Secretary of the Department of Finance.

Prior to joining the Northern Ireland Civil Service, Hugh served as Director of Legal and Governance Services for the Northern Ireland Assembly.

He has previously worked in research, and as a barrister in private practice. He has also worked in the Scottish Parliament's legal office, and on discrimination law in the Office of the First Minister and deputy First Minister. He was a member of the Senedd Cymru Commission's Audit and Risk Assurance Committee from 2012 until 2019.

Hugh is a barrister and member of the Bar of Ireland and the Bar of Northern Ireland. Hugh is a Governor at Banbridge Academy, a member of the Independent Remuneration Board for Senedd Cymru, and a member of the board of the Chief Executives Forum.

# Appendix 3

Board Members and Chief Executive of the Independent Parliamentary

Standards Authority – information taken from IPSA website

**Richard Lloyd – Chair:** Richard Lloyd OBE joined the IPSA Board in December 2018. He became Interim Chair in October 2019 and was confirmed as our Chair in November 2021. He is also a non-executive director of the Financial Conduct Authority and the Advertising Standards Authority.

Richard's previous positions include:

- Executive director, Which?
- Chief executive, Consumers International
- Head of policy, Shelter
- Special adviser to the Prime Minister

He was awarded an OBE in 2019 for services to the economy and consumer rights.

**lan Todd – Chief Executive:** Ian Todd joined IPSA in October 2020. He was formerly Chief Executive of the Security Industry Authority and Deputy Director General at the Independent Office for Police Conduct.

He has also held several other board-level roles in professional regulation, including the health and legal sectors. Ian has also spent time in central government, including the Department for Education and the Cabinet Office.

He has extensive experience dealing with the public in a frontline role as his first career was with the NHS ambulance services. During 15 years in the ambulance service, he was a qualified paramedic and held several roles to director level, including as part of the senior command team during the 7/7 London bombings.

**Helen Jones:** Helen Jones served as the MP for Warrington North from 1997 to 2019. She chaired the House of Commons Petitions Committee from 2015 to 2019 and had previously been an Opposition Spokesperson, senior Government Whip and Parliamentary Private Secretary.

Prior to entering the House, she worked as a solicitor, teacher, and a justice and peace officer in the Liverpool Archdiocese.

**Will Lifford:** Will Lifford is a Yorkshire-based chartered accountant and a former Head of Audit at Grant Thornton.

Since retiring, he has held several non-executive and trustee roles in the public and not-for-profit sectors, including as non-executive director of Entrust, the regulator of the Landfill Communities Fund, and chair of both Yorkshire Housing and Martin House Children's Hospice.

He is currently a board member of the Charity Commission for England & Wales.

**Lea Paterson CBE:** Lea Paterson CBE was previously Executive Director, People and Culture, at the Bank of England.

She is currently an Independent Member of the University of Warwick's Remuneration Committee.

Lea has previously held a number of senior management positions at the Bank of England, including Director of Independent Evaluation. She was also an Advisor to the Bank's Board in its review of ethnic diversity and inclusion.

Before working for the Bank, Lea worked as a journalist, as Economics Editor at The Times and previously at The Independent.

Lea has been appointed as a Commissioner at the Civil Service Commission from 13 June 2022 for a five-year non-renewable term.

At the end of 2022, Lea was awarded a CBE in the annual New Year Honours list for services to the economy.

Lea was appointed as Chair of the Senior Salaries Review Body on 1 October 2024.

Dame Laura Cox: Dame Laura Cox served as a High Court Judge from 2002 until 2016, when she stood down from the Bench to enable her to pursue other interests and activities. She remains a Bencher of the Inner Temple and in 2019 she was awarded an Honorary Doctorate from Queen Mary, University of London for her contribution to the law.

Before her judicial appointment in 2002, Laura was in practice as a barrister for 25 years, specialising in equality and employment law. In 1995, she was elected as Head of Cloisters Chambers. She was appointed Queen's Counsel in 1994 and in December 2002 she received a "Lifetime Achievement" award from the organisations "Liberty" and "Justice" for her commitment to equality and human rights over 25 years at the Bar.

In 1998 Laura was appointed as the British member of the International Labour Organisation's Committee of Independent Experts, one of the oldest and most respected United Nations supervisory bodies, a post she held for 15 years, monitoring ILO Member States' compliance with international labour and equality standards.

In 2013 she was elected as the Vice President of the United Kingdom Association of Women Judges, serving in that role until her retirement from the Bench. She was also an active member of the Judicial College, co-designing and chairing the cross-jurisdictional skills and ethics courses for courts and tribunals judges.

Since 2016, Laura has undertaken work for a variety of organisations in the areas of equality and human rights. She has also conducted several independent investigations or inquiries, including the Independent Inquiry into the Bullying and Harassment of House of Commons Staff, delivering her final report to the House in October 2018.

Laura's post with IPSA is that of our former high judicial officeholder.