

# Funding Democracy: Consultation on MPs' pay for 2026-29

October 2025



## Foreword from the Chair

One of IPSA's key legal responsibilities is to set MPs' pay. We do not take this responsibility lightly, and we aim to make decisions that are fair – both for MPs and for taxpayers – and that support a diverse and representative Parliament, where anyone, from all walks of life, can become an MP.

Pay for parliamentarians has been a matter of significant public debate, going as far back as the Chartist movement in the 19<sup>th</sup> Century. There is often more heat than light in this debate, and we have a responsibility in raising awareness of how pay is set.

This year, for the first time, we heard directly from the public through a Citizens' Forum on MPs' pay and funding. Twenty-three members of the public, selected to be representative of the UK population, heard from expert speakers on how pay and funding is set, what being an MP is like and the challenges that come with the role; and they discussed what funding democracy looks like in the future. They considered all of these issues before making recommendations to IPSA's Board.

The recommendations from the Forum are important. Some have directly informed the proposals in this document. The full set of recommendations are published to support transparency, and we have committed to responding in full by the end of this year.

As well as hearing directly from citizens, we have also sought views from specialist stakeholders with an interest in pay and funding. Experts from academia, the media, democratic pressure groups and Parliament came together earlier in the year to discuss how pay and funding impacts on the health of our democracy, how decisions are made in other countries and the opportunities to promote and protect democracy.

It is now your opportunity to tell us your views. We are required to decide how MPs' pay will be determined at the start of each Parliament, and this document outlines our proposals for the Parliament elected last year.

**Richard Lloyd OBE**  
**IPSA Chair**

## Contents

Introduction .....	4
Seeking the views of the public – IPSA’s Citizens’ Forum .....	4
Seeking the views of stakeholders – Roundtable discussions .....	5
What we learned .....	5
How to respond.....	6
Our proposals for 2026-29 .....	7
MP remuneration principles.....	7
Previous decisions about MPs’ pay.....	7
Citizens’ Forum recommendations .....	8
Proposed MPs’ pay determination for this Parliament .....	10
Timing of annual decision making.....	11
Equality impact assessment .....	11
Consultation questions .....	11

## Funding Democracy: Consultation on MPs' pay for 2026-29

### Introduction

1. One of IPSA's key duties is to set MPs' pay independent of both Parliament and government. After a General Election, IPSA is required to review its determination on how MPs' pay will be treated in the new parliament.
2. MPs' pay is naturally of significant public interest, and IPSA has engaged in new stakeholder and public engagement activity to ensure that it hears different views on this sensitive topic. The outcomes have directly informed our proposals on how MPs' pay should be handled for this parliament. By law, the final decision rests solely with the IPSA Board, but this consultation exercise is a further opportunity to hear from the public and other stakeholders.
3. Supporting trust in democracy is a key priority for IPSA, and it is essential that we can properly explain our decisions, and how we came to them. In the interests of transparency we are also publishing, alongside this consultation, the report and full set of recommendations from a [Citizens' Forum held on the topic of MPs' pay and funding](#).

### Seeking the views of the public – IPSA's Citizens' Forum

4. Our direct engagement with the public has traditionally been limited. As a result, we feel there remains a widespread lack of knowledge of what the role of an MP entails, and a lack of awareness about the role of IPSA and how pay is set. As part of our objective to support trust in democracy, we wanted to have an open, honest conversation with people, to help make the issue of MPs' pay more accessible and transparent and create an informed debate on the topic.
5. For the first time, this year we commissioned an independent organisation, New Citizen Project, to design and deliver a direct engagement exercise with the public. A randomly selected, representative group of people formed a Citizens' Forum which looked in depth at the issue of MPs' pay and funding. Facilitated independently by New Citizen Project, 23 members of the public heard evidence from people with a professional interest in the issues, including the media, Jo Cox Foundation, former MPs and academics. At the end of the Forum, participants agreed a statement and recommendations for the IPSA Board on what they should

consider when deciding on MPs' pay and funding. The Board has used this invaluable insight to inform the proposals in this consultation.

## **Seeking the views of stakeholders – roundtable discussions**

6. This year we have also done more to hear from those with experience and expertise in the issues relating to pay and funding. In early 2025, IPSA commissioned a series of essays by experts in the field on a number of different topics related to Parliament, the role of an MP and what working for an MP is like. We then held a series of roundtable discussions with academics, journalists, other regulators, civil society, current and former MPs' staff members and former MPs. The roundtable participants were asked to consider three broad questions: whether the funding model for MPs is fit for purpose; is the current level of MPs' pay right; and what is IPSA's role in improving trust in democracy. The outcome of the deliberations from the roundtables and the essays, like the Citizens' Forum, have informed the proposals in this consultation. These will be published in due course on our website.

## **What we learned**

7. The Citizens' Forum was the centrepiece of IPSA's most extensive listening exercise to date. We were grateful for the interest shown by this group of citizens who gave up the time to participate. The report and recommendations have been published alongside this consultation.
8. The Forum confirmed to us the importance of transparency about IPSA's role, how we make decisions about MPs' pay and funding, and how this supports MPs and their staff in representing constituents. The Forum showed that, where the right opportunities are created to learn, engage and deliberate on a topic, people from different backgrounds and with varying degrees of prior knowledge can come together to discuss and shape solutions to complex issues.
9. The Citizens' Forum concluded that the level of MPs' pay is mostly right, but that it needs to be grounded in the context of social and economic realities facing ordinary working people. While this provides some support for IPSA's current approach, it also points to a need to consider certain benchmarks and metrics in more detail, as well as to be transparent about the rationale for decisions on pay.
10. While the focus of this consultation is on MPs' pay, we know that pay and the funding for MPs' parliamentary work are inextricably linked; both are necessary to ensure a diverse and effective Parliament, where people from all backgrounds can become MPs and are supported appropriately in this demanding job. The outputs from the Citizens' Forum are clear about this, and they set a challenge for IPSA and

the wider parliamentary community to design the future of a modern, efficient, transparent and accountable Parliament.

## How to respond

11. We are keen to hear the views of MPs, their staff, our wider stakeholders and members of the public about the proposals in this consultation.
12. We would also like to hear views about any positive or negative impacts on protected characteristic groups, feeding into an equality impact assessment on the proposals.
13. Please use our quick and easy [online survey](#) to submit your response. Please **do not** send us responses by post, as this may delay consideration of your views.
14. While you are strongly encouraged to respond using the online survey, please contact us if you need reasonable adjustments to enable an alternative response. You should email us at [consultation@theipsa.org.uk](mailto:consultation@theipsa.org.uk), and a member of our team will contact you to coordinate your response.
15. We will summarise the responses we receive when we publish our decisions. In doing so, we may refer to individual respondents and the content of their responses. We may also publish a list of who responded. **If you would like your response to be treated as confidential, please say so clearly in your response.** We will not quote from confidential responses or attribute the views in them to any particular respondent.
16. Whether your response is confidential or not, we will not publish your email address or any other contact details in compliance with data protection law and the General Data Protection Regulation (GDPR). For more information about what we do with personal data, please [visit our privacy notice](#).
17. **Please send us your response by 31 October 2025.**

## Our proposals for 2026-29

### MP remuneration principles

18. IPSA has established outcomes and principles to guide its decisions about MP remuneration:

Outcomes: What MPs' remuneration arrangements are designed to achieve	
R1	The structure and level of MPs' overall reward: <ul style="list-style-type: none"> <li>• Enables MPs to fully and effectively carry out Parliamentary duties</li> <li>• Is fair for all MPs given the diversity of MPs who may be elected by voters, including socio-economic background</li> </ul>
R2	The determination and its implementation provide appropriate assurance that good value is obtained from public funds
Guiding Principles: criteria we apply to ensure the remuneration arrangements deliver the outcomes	
P1	MPs should be fairly remunerated for the work they do and the total cost to the taxpayer should be affordable and fair
P2	MPs' overall remuneration should be considered as a whole package reflecting the breadth and nature of their responsibilities
P3	The package should have a clear rationale linked to the intended outcomes, and be cost effective and efficient to administer
P4	The package should be sustainable in the medium term without the need for frequent, major changes
P5	As far as is practicable MPs' remuneration and reward should reflect the experience of other working citizens

### Previous decisions about MPs' pay

19. The Constitutional Reform and Governance Act 2010 gave IPSA the responsibility to decide MPs' pay, taking effect from May 2011. This was the first time that such decisions were to be made independently of Parliament.
20. Following a detailed review of the whole remuneration package for MPs between 2012 and 2015, IPSA concluded that it was right to use a transparent, independent benchmark as the mechanism for updating MPs' pay annually and settled on an Office for National Statistics (ONS) Average Weekly Earnings (AWE) series which



measured the annual change in earnings in the public sector.<sup>1</sup> This approach had the benefit of MPs' pay following developments in the rest of the public sector, albeit with a degree of time lag. It also meant that, so long as the metric remained appropriate and reflected the experience of other public servants, there was no need for an annual decision.

21. Use of the AWE series did provide a transparent, objective basis for periodic adjustments and relative stability for a number of years. However, the economic uncertainty of the Covid pandemic and the years since has impacted the useability of the data for this purpose and led IPSA to reconsider its approach. Following a consultation in 2021, IPSA's determination was updated to provide some 'bounded discretion' to depart from the AWE figure for annual salary adjustments, if that was necessary in order to reach an outcome in line with our remuneration principles – fair to both MPs and taxpayers, having regard to the experience of constituents and MPs' overall remuneration.
22. This bounded discretion was put in place for the years 2022, 2023 and 2024. In deciding whether such a variation was necessary, IPSA considered information, data and commentary on wage settlements, earnings statistics and trends and the outlook for the UK economy and wider public sector pay policy.
23. Legislation requires IPSA to review MPs' pay early on in each new parliament. Following the General Election in July 2024, we embarked on a review of various parts of MPs' remuneration, including consideration of other pay and economic metrics, domestic and international comparators, non-pay benefits, and aspects of the MPs' pension scheme in relation to the wider pensions landscape.
24. As an interim measure, for the salary taking effect in April 2025, IPSA decided to make a one-off adjustment in line with the government's recommended affordability level for public sector pay settlements in 2025-26.
25. The proposals in this consultation relate to pay adjustments from April 2026 and for the remainder of the current parliament.

## **Citizens' Forum recommendations**

26. The [full recommendations from the Citizens' Forums](#) have been published alongside this consultation. Included in this is the list of 'Principles for MPs' pay' as established by the members of the Forum following their deliberation:

---

<sup>1</sup> The AWE KAC9 series provides the gives the seasonally adjusted, three-month average (mean) of the percentage year-on-year change in average weekly earnings. IPSA used the October figure, published in December, for adjustments to pay taking effect the following April.



Citizens' Forum – Principles for MPs' pay
MPs' pay and funding should allow all MPs to fulfil their role effectively and safely, ensuring the position is accessible to people from all income backgrounds and that factors such as disability or gender are not barriers.
MPs' pay should reflect the demanding nature of the role. Fair pay, rest, and holidays are essential to prevent burnout and ensure Parliament functions effectively for democracy.
MPs' pay should be tied to clear minimum performance standards, independently assessed and publicly reviewed, with opportunities for communities to provide feedback and hold their representatives accountable.
MPs' pay should be benchmarked against comparable roles in the public service and similar democracies, reflecting the skills needed and responsibilities you take on.
MPs' pay should be linked in part to national average household income, making it more representative, fair, and connected to the realities faced by the people they serve.
MPs' primary duty should be to their constituents, with second jobs capped in hours and never allowed to undermine their minimum requirements and responsibility as MPs.

27. We were pleased to see a degree of alignment between the expectations of the Citizens' Forum members and IPSA's current principles and approach to MP remuneration, as well as with views expressed by other members of the public in response to previous IPSA consultations on the topic. We noted the clear emphasis placed on benchmarking against comparable roles in the UK and other parliamentarians in similar democracies, as well as linking to national average household incomes, as a way of ensuring decisions are grounded in the realities faced by the people that MPs serve.
28. The principles for MPs' pay set out by the Citizens' Forum also cover issues that are outside the scope of IPSA's remit – for example, on minimum performance standards and outside employment. Other recommendations arising from the Forum focus on modernisation, increased use of technology and greater accountability for Parliament and MPs. These issues are not for IPSA alone to tackle; our aim is to start a conversation with stakeholders and other bodies in the standards landscape who may be interested and can effect change, so that we can ensure the Forum members' contributions are heard.
29. The Forum recommendations also emphasise the importance of MPs being supported by knowledgeable, dedicated and fairly paid staff. We are separately [consulting on proposals relating to pay and career progression for MPs' staff](#). While

this work was already in development at the time of the Forum, these recommendations align closely with our ambitions for further professionalisation of the MP staff role, leading to improved development opportunities and staff retention.

## **Proposed MPs' pay determination for this Parliament**

30. We are proposing that for the remainder of this parliament, decisions on MPs' pay should be made annually, taking into account a range of information, data and commentary on pay settlements, earnings statistics and the outlook for the UK economy and wider public sector pay policy. As recommended by the Citizens' Forum, this annual decision would include explicit consideration of MPs' pay as compared with average UK earnings and household income, as well as domestic and international benchmarks.
31. We are keen to hear views on the appropriate domestic professions that we should consider as a suitable benchmark for verifying the level of MPs' pay. Suggestions that have been made to us include primary school headteachers, General Medical Practitioners (GPs) or District Judges. We are conscious that direct comparisons are difficult; each profession will have its own requirements around education or responsibility levels, and we do not intend to make any value judgments about one profession over another. However, we would like to understand from our stakeholders and members of the public about which professions should be considered when setting MPs' pay.
32. Based on the experience of the past few years, we do not believe that binding ourselves to one particular metric is any longer the right approach, and we think it is important to retain flexibility to make a decision which best meets our objectives and principles for MP remuneration.
33. Although we are not proposing a fixed set of metrics and data to feed into the annual decision, we expect that this would include, among other things:
  - Economic forecasts, for example from the Office for Budget Responsibility and Bank of England/Monetary Policy Committee
  - Inflation measures and information about forecast inflation
  - Earnings data and labour market trends, including ONS data on average earnings and average household income
  - Employer surveys and pay trends
  - Publicly available information on pay bands for public sector roles

- Publicly available information on pay for parliamentarians in other similar democracies
- Public sector pay awards, including the evidence and recommendations from the [eight pay review bodies](#), including the Senior Salaries Review Body, and the remit given to them by the government.

## Timing of annual decision-making

34. To ensure that such decisions can be made in full view of relevant, up-to-date data and information, we are also proposing to allow some flexibility in the timing of annual decision-making. This means that in some years, the IPSA Board's decision could be made after the start of the financial year, but any adjustments to pay would be backdated to 1 April.

## Equality impact assessment

35. One of IPSA's objectives is to ensure that decisions about MPs' remuneration are fair to all MPs and support a diverse Parliament, where people of all backgrounds and circumstances are able to take up the role. We are interested to hear views about whether the proposals in this consultation would have or would be likely to have any positive or negative impacts on protected characteristic groups.

## Consultation questions

**Question 1: Do you agree with IPSA's proposal that for the remainder of this parliament, decisions on MPs' pay will be made annually, taking into account a range of information, data and commentary on pay settlements, earnings statistics and the outlook for the UK economy and wider public sector pay policy?**

**Question 2: Are there any additional sources of metrics, data or information beyond those mentioned above that IPSA should incorporate in its decision making?**

**Question 3: What, if any, other professions should IPSA use as a benchmark when setting MPs' pay?**

**Question 4: Do you agree that there should be some flexibility allowed in the timing of annual decisions, so that the IPSA Board can take account of the full range of relevant data and information?**

**Question 5: What likely or actual impact do you believe proposals in this consultation could have on equality and diversity in relation to MPs, to prospective parliamentary candidates or to any other group of people?**