

10 February 2025

Dear Stakeholder,

MPs' salaries for 2025-26

I am writing regarding IPSA's proposed adjustment to MPs' salaries for the 2025-26 financial year.

As you will know, our long-established principles for determining salaries include that the outcome should be fair to both MPs and taxpayers, having regard to the experience of constituents and MPs' overall remuneration.

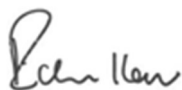
Under the Parliamentary Standards Act 2009, IPSA is required to review MPs' salaries within the first year of a new parliament, and so our next review is due by 4 July 2025. This review will cover a range of issues relevant to MPs' whole remuneration package – including consideration of other pay and economic metrics, domestic and international comparators, non-pay benefits, and aspects of the MPs' pension scheme in relation to the wider pensions landscape. We will be consulting widely on the outcome of this review in late spring.

As the anniversary of the new Parliament falls after the start of the new financial year, as an interim measure we are proposing to adjust MPs' salaries in line with the government's recommended affordability level for public sector pay settlements in 2025-26. Any future determination made following the more wide-ranging review of MPs' remuneration would take effect no earlier than April 2026. To put this in place we need to update the current statutory determination as outlined in the Annex to this letter.

The resulting adjustment to MPs' basic salary and the additional salary paid to Select Committee Chairs and Members of the Panel of Chairs would be an increase of 2.8% with effect from 1 April 2025.

We are seeking views from statutory consultees and other stakeholders on this proposal, in order to inform the IPSA Board's decision before the start of the new financial year. **We would be grateful if your office could please send your comments to consultation@theipsa.org.uk by the close of 28 February.**

Yours sincerely,



Richard Lloyd OBE
IPSA Chair

ANNEX

Draft revised pay determination: MPs' salary

1. This determination was made by IPSA under Section 4 of the Parliamentary Standards Act 2009 on [date] 2025. It supersedes the determination made on 16 July 2015 and amended on 2 September 2021 with immediate effect.
2. With effect from 1 April 2025, the salary for service as a member of the House of Commons will be adjusted in line with the Government's recommended affordability level for public sector pay settlements for 2025-26.

Draft revised pay determination: additional salary for specified committee chairs

1. This determination was made by IPSA under Section 4 of the Parliamentary Standards Act 2009 on [date] 2025. It supersedes the determination made on 25 May 2016 and amended on 2 September 2021 with immediate effect.
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 April 2025, the Additional Salary for specified Committee Chairs will be adjusted in line with the Government's recommended affordability level for public sector pay settlements for 2025-26.
5. No specified Committee Chair shall:
 - a. receive more than one Additional Salary under this determination, or
 - b. receive an Additional Salary for any period, or part thereof, if the specified Committee Chair is also entitled to a further salary by virtue of any provision of the Ministerial and other Salaries Act 1975.

Select Committee Chairs

6. The Chair of a Select Committee specified by the House of Commons in a resolution under Section 4A(2) of the Parliamentary Standards Act 2009 shall be paid the Additional Salary in respect of a period that:
 - a. begins with the day on which the Member becomes Chair of such a Committee (or the day on which the Committee is constituted, if later); and

- b. ends on the day on which the Member ceases to be Chair (or, if he or she is Chair of more than one such committee, he or she ceases to be Chair of the last of those committees).
- 7. If the name of a specified Select Committee is changed, this will be taken to be a reference to the Committee by its new name.
- 8. If the functions of a specified Select Committee become functions of a different Committee, this will be taken to be a reference to the Committee by whom the functions are for the time being exercisable.

Members of the Panel of Chairs

- 9. A Member of the Panel of Chairs shall be paid an Additional Salary in respect of any period served as a Member of the Panel of Chairs. The period shall begin on the day on which the Member is appointed to the Panel and end on the day on which the Member ceases to be a member of the Panel.