

# Guidance on the Scheme of MPs' Staffing and Business Costs 2022-23

17 March 2022

IPSA has published the Scheme of MPs' Staffing and Business Costs for 2022-23, which will be effective from 1 April 2022.

The topics listed below are covered in this guidance. A number of these areas were included in [our recent consultation](#). This guidance covers rules that are changing for 2022-23, as well as other key information which MPs and staff members should still be aware of.

- [Changes to the Scheme document](#)
- [Hybrid and home-based contracts](#)
- [Travel claims for staff on home-based contracts](#)
- [Homeworking allowance](#)
- [Accommodation budget](#)
- [Winding-up costs](#)
- [End-of-tenancy cleaning](#)
- [Valuations of office rent](#)
- [Recovery of money owed](#)
- [MP parental leave and absence](#)
- [Annual pay increases for staff](#)
- [Updated budgets and salary ranges](#)

## Changes to the Scheme document

MPs and staff told us that the Scheme could be difficult to understand and is written in an overly legalistic way. We have now streamlined this document and moved detailed advice and information about procedures to the guidance on our website, [www.ipsaonline.org.uk](http://www.ipsaonline.org.uk).

## Hybrid and home-based contracts

We are aware that flexible, hybrid and home-based working arrangements have become more common in recent years. To provide a way of formalising these arrangements, we are introducing hybrid and home-based contracts for MPs' staff members, alongside office-based contracts.

A hybrid contract will be the most appropriate where the staff member has the flexibility to work from home, or a mix of home and office working, and is expected to attend the office regularly. A home-based contract will be specifically for those who are expected to be entirely based from home.

The decision to employ staff on a hybrid or home-based contract is one for MPs, as employers, ensuring they are adhering to good employment practice. Further guidance has been produced by the House of Commons Members' HR Team on flexible working arrangements, including an employer's responsibility regarding staff who work at home.

For more information, visit [the House of Commons Members' HR Team guidance](#).

## Travel claims for staff on home-based contracts

Where staff are contractually home-based, we have amended the Scheme to allow for them to claim for ad hoc, occasional travel to Westminster and/or the constituency office.

This is a complex area in relation to tax, and MPs and staff need to exercise caution when making claims which may be considered taxable. It would be the responsibility of MPs and office managers to determine what travel is necessary and what constitutes ad hoc travel as opposed to a commute to a regular place of work, drawing on HMRC guidance. IPSA would reserve the option to query offices and reject claims where we consider home-based workers appear to be claiming for regular commutes rather than ad hoc travel.

For clarity, staff with hybrid or office-based contracts cannot claim for commuting to their contractual place of work (Westminster or the constituency office).

For more information from HMRC, visit [Expenses and benefits: travel and subsistence](#).

We are continuing to work with HMRC to understand where tax liabilities may arise and will communicate further guidance as soon as possible.

## Homeworking allowance

Staff members who are working from home because of the pandemic are receiving an allowance of £26 per month to cover homeworking expenses. The allowance was implemented on an opt-out basis in July 2020 and will continue to be paid for the immediate future, into the 2022-23 financial year. However, we are reviewing the situation now that pandemic-related restrictions are being lifted and may stop payment of the allowance in the coming months. We will communicate further as soon as the specific date has been agreed.

For now, the homeworking allowance will continue to be administered on an opt-out basis. If staff members are no longer working from home, or should not receive the allowance for other reasons, the MP or payroll proxy must notify IPSA by emailing [payroll@theipsa.org.uk](mailto:payroll@theipsa.org.uk) by the fifteenth of the relevant month, so that the necessary changes can be made to the payroll.

As a reminder, staff members in receipt of the homeworking allowance cannot also claim homeworking costs. Once the allowance is no longer payable, staff who are home based have the option of registering a home office to claim homeworking costs in line with the Scheme and HMRC guidance, or to claim tax relief on their costs directly from HMRC.

For more information from HMRC, visit [Claim tax relief for your job expenses](#).

## Accommodation budget

The previous Scheme provided a capped budget for rental accommodation to enable MPs to fulfil their duties in Parliament; and where MPs have informed IPSA that they are not claiming from the rental accommodation budget they could claim for hotel accommodation from a separate budget. We know that the existence of two separate budgets has had the potential to cause difficulties for MPs when moving in and out of rental accommodation.

We are implementing a change so that MPs have a single capped accommodation budget which can be used for both rental accommodation and hotels. This would remove the need to switch between the two different budgets and any confusion around pro-rating of budgets mid-year. The limit on a single night in a hotel would remain and MPs would still be able to claim hotel costs relating to parliamentary travel and subsistence from a separate uncapped budget, in line with the travel rules. Separate budgets will remain in place for London and Non-London Accommodation.

Any non-London MPs who claim for hotel accommodation where the hotel stay takes place from 1 April 2022 onwards should claim using the “Accommodation” budget category.

Please note that the “Accommodation – Hotels” budget category will remain open temporarily for year-end purposes and any claims that relate to hotel stays up to 31 March but should not be used for hotel accommodation claims relating to the 2022-23 financial year. MPs will be notified and asked to amend the claim where the incorrect budget category is used.

## Winding-up costs

In the previous Scheme, a dedicated winding-up budget was made available to former MPs after leaving Parliament, intended to meet the costs of completing their outstanding parliamentary functions.

We know from the experience of the past few general elections that for MPs and staff, moving from the budget arrangement they have had while in office, to a new arrangement for the period where they are winding up their affairs can cause additional difficulty. It can also cause confusion about which budget a former MP should use to claim a cost.

To simplify this arrangement, we are implementing a change so that instead of claiming from a separate winding-up budget, former MPs will be able to draw from their existing budgets in the way they had been during their time in office. Existing budgets would be pro-rated to cover the two-month winding-up period.

To ensure affordability of contractual liabilities for staff during the winding-up period, we have also made a change so that one-off costs including redundancy payments, payments for untaken leave and pay-in-lieu-of-notice would be allocated to the contingency budget, rather than the staffing budget. (Note: where these costs arise other than because of winding up, they will continue to be allocated to the staffing budget.)

## End of tenancy cleaning costs

The cost of routine cleaning of MPs' accommodation is not allowed under Scheme rules. Cases have been brought to our attention where a professional clean is required as a condition of rental contracts when the property is vacated.

We will continue to pay claims for end-of-tenancy cleaning where they are unavoidable, in line with our current policy. However, following a change in legislation (brought in by the Tenant Fees Act 2019) we do not think that MPs should be liable for these charges going forward, and we will support MPs to challenge landlords who charge cleaning fees in contravention of the new law.

## Valuations of office rent

In the previous Scheme, MPs were required in certain situations to provide a valuation of the market rate for their constituency office prepared by a valuer regulated by the Royal Institution of Chartered Surveyors. This is a way of confirming that MPs were paying an appropriate rate for the office, for instance where renting from or subletting to a party association.

We are putting in place new arrangements where valuations are needed to confirm the market rental rate for offices. IPSA will liaise with offices to arrange access for the valuers and coordinate the valuations centrally, so that MPs will no longer need to engage a valuer directly and claim reimbursement of the costs. The Scheme has been amended to reflect the new arrangements, which will be in place in the coming months.

## Recovery of money owed

Sometimes it is necessary for IPSA to recover money from MPs, for example where it is determined that a claim should not have been paid or administrative errors occur or in line with our debt policy. The Scheme has been amended to enable IPSA

to recover money via salary deductions in the first instance, in exceptional circumstances where this is the best approach.

This means that MPs and their offices continue to have legitimate business costs reimbursed, while allowing the amounts to be recovered through salary deductions. In all circumstances, IPSA will ensure the MP is fully informed about any recovery of money.

## MP parental leave and absence

MPs who wish to take time off after the birth or adoption of a child are eligible for funding to provide cover for their office during their absence. As there are a variety of circumstances such as long-term sickness absence or absence due to other caring responsibilities, we have expanded the scope of the fund to become a broader “MP Parental Leave and Absence Budget”.

For more information, visit [Funding to support MP parental leave & absence](#).

MPs who are considering taking time off for the birth or adoption of a child should contact their Account Manager.

## Automatic annual pay increases for staff

In line with the process introduced in 2021-22, salaries for all MPs’ staff members will be automatically updated by 3% for the 2022-23 financial year. The increases will be paid from the end of April (payday 29 April 2022) and backdated to 1 April 2022.

MPs as employers retain an opt-out from the automatic arrangements. This is because there are some circumstances where awarding an annual pay increase may not be appropriate.

If staff are to be opted out, then IPSA must be notified by email to [payroll@theipsa.org.uk](mailto:payroll@theipsa.org.uk) no later than 25 March 2022.

This arrangement does not prevent an MP from providing a higher increase for their staff, so long as it remains within the relevant salary range for that job role

(set out in the Scheme and below) and is affordable in their overall staffing budget.

For MPs who want to increase staff pay by more than 3%, please complete a contractual change form for the additional increase only after 4 April.

For more information, visit [Automatic annual salary increases for MPs' staff](#).

## Updated budgets and salary ranges

MPs' budgets have been increased for 2022-23 to take account of inflationary pressures. We have also increased the nightly limit on hotel costs in London and Europe from £175 to £190.

As [announced in November 2021](#), the additional funding which was provided in response to the pandemic and sustained increases in casework has been retained for the remainder of this Parliament, at the level of the annual cost of a full-time caseworker. This amount has been consolidated within the staffing budget for future years.

Although there is no current intention to reduce the staffing budget after this Parliament, IPSA's total budget proposals will be subject to future parliamentary approval processes. MPs are not required to appoint new staff on fixed-term contracts for the remainder of this Parliament and should feel able to appoint to permanent roles, where this is the right thing for their offices and if affordable within the current staffing budget.

The staffing budget has also been increased to allow for at least a 3% pay increase for all staff (see information on automatic pay increases for staff above).

Likewise, the maximum points of all staff salary ranges have been increased by 3%. This means that even staff who are at the top of their relevant range can have an annual pay increase in 2022-23.

Changes have been made to the minimum points of small number of ranges:

- Level 1 Administrative (outside London): The minimum has been increased to match the UK Voluntary Living Wage, assuming a 37.5-hour work week.
- Paid Interns (London and outside London): The minimum has been increased to the new National Minimum Wage for 21-22-year-olds effective from April 2022, assuming a 37.5-hour work week. MPs must ensure they are meeting legal minimum pay rates for all staff.

Staff members whose salaries currently fall below these will have their salaries increased to at least the new minimum of their range.

Where the Voluntary Living Wage changes mid-year (the Living Wage Foundation usually announces new rates in the autumn) such that it exceeds a published range, IPSA will accept changes to staff pay to match the new Voluntary Living Wage.

[The full budget and salary range tables are available in the Annex below.](#)



## Annex: Budgets and staff salary ranges for 2022-23

BUDGET HEADING	AREA / ELIGIBILITY	2022-23 BUDGET
Accommodation - rental costs	London Area	£25,080
	Outside London Area	£17,840
Accommodation - associated costs only	(Non-London Area MPs only)	£5,910
Rental accommodation uplift for dependants	Per eligible dependant per year (max of three uplifts)	£5,720
Office costs	London Area MPs	£31,620
	Non-London Area MPs	£28,570
Staffing costs	London Area MPs	£237,430
	Non-London Area MPs	£221,750
London Area Living Payment (LALP)	96 London Area MPs	£4,310
Additional LALP	London Area MPs of 23 outer London constituencies	£1,530
MP parental leave and absence cover	(Pro Rata for period of absence)	£61,800 (plus on-costs)
Hotel nightly cost limit	London /Europe	£190/night
	Rest of UK	£150/night

## Salary ranges for London area staff

JOB ROLE	ANNUAL MINIMUM (£)	ANNUAL MAXIMUM (£)
Administrative 1 (Administrative Officer)	£22,402	£32,127
Administrative 2 (Senior Administrative Officer)	£26,251	£38,425
Administrative 3 (Office Manager)	£33,759	£50,310
Executive 1 (Caseworker)	£24,000	£36,413
Executive 2 (Senior Caseworker)	£32,000	£43,740
Research 2 (Parliamentary Assistant)	£25,500	£37,466
Research 3 (Senior Parliamentary Assistant)	£36,575	£53,630
Employed Interns	£17,901	£21,808
MP representative (MP parental leave and absence cover)	£61,800	

## Salary ranges for non-London area staff

JOB ROLE	ANNUAL MINIMUM (£)	ANNUAL MAXIMUM (£)
Administrative 1 (Administrative Officer)	£19,305	£27,301
Administrative 2 (Senior Administrative Officer)	£23,397	£34,071
Administrative 3 (Office Manager)	£30,000	£47,389
Executive 1 (Caseworker)	£21,529	£32,983
Executive 2 (Senior Caseworker)	£28,311	£41,593
Research 2 (Parliamentary Assistant)	£23,839	£34,401
Research 3 (Senior Parliamentary Assistant)	£32,811	£47,261
Employed Interns	£17,901	£21,808
MP representative (MP parental leave and absence cover)	£61,800	