



# IPSA

Independent Parliamentary  
Standards Authority

## The Funding Scheme for MPs 19th edition

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**Independent Parliamentary Standards Authority**

**The Funding Scheme for MPs  
19<sup>th</sup> Edition**

Presented to the House of Commons pursuant to section 5(5) of the  
Parliamentary Standards Act 2009

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# **The Funding Scheme for MPs**

**19<sup>th</sup> Edition**

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# The Funding Scheme for MPs

## 19<sup>th</sup> Edition

### Introduction

1. The Funding Scheme for MPs ('the Scheme') is made by the Independent Parliamentary Standards Authority (IPSA) in the exercise of the powers conferred on it by section 5(3)(a) of the Parliamentary Standards Act 2009. It takes effect from 1 April 2026.
2. This Scheme is intended to ensure that MPs' use of taxpayers' money is well-regulated, and that MPs are resourced appropriately to carry out their parliamentary functions.
3. Where reference is made to 'MP' this also includes former MPs when leaving office.
4. The principles and rules in this Scheme must be read in conjunction with guidance published by IPSA, which can be found on IPSA's website ([www.ipsaonline.org.uk](http://www.ipsaonline.org.uk)).
5. IPSA may in its discretion determine to vary application of the rules set out in this Scheme, where this is a proportionate action in response to changing circumstances. In doing so, IPSA will take into consideration official guidance (where relevant) and will provide reasonable notice of any change and the reasons behind such decisions, to be communicated to MPs and their staff members and published in guidance.
6. Information relating to the funding provided under this Scheme is published in accordance with IPSA's Publication Policy.

## **Part A – Our regulatory approach**

1. As holders of public office, MPs must act in line with the Seven Principles of Public Life and the Code of Conduct for MPs at all times.

### **Regulatory principles**

2. In requesting and using public funds through the Scheme, MPs must adhere to the following principles.

#### **Principle 1: Parliamentary purpose**

- MPs may only access IPSA funding for costs they or their staff incur as a result of their parliamentary functions.
- MPs must not use funding in support of any electoral campaigning, political party or other outside organisation.
- MPs must not use funding for costs relating to activities that are explicitly or primarily aimed at promotion of their own political profile.
- MPs must ensure there is no other more appropriate source before seeking IPSA funding.

#### **Principle 2: Value for money**

- MPs must take proportionate steps to achieve value for money in all decisions made about the use of IPSA funding.
- MPs are expected to exhibit good financial management, including in planning their expenditure to ensure, insofar as possible, they are able to remain within the budgets provided to them by IPSA.
- MPs should ensure they have staff supporting them with a good understanding of financial and budget management.

#### **Principle 3: Integrity**

- MPs must be objective in their decisions about how they spend IPSA funding, including in choosing suppliers of goods and services.
- MPs' decisions must not be aimed at gaining financial or other material benefits for themselves, their family, friends, political associates or other connected individuals.
- MPs must be able to show they have considered perceived or real conflict of interest; and that they have not been influenced in their decisions about using IPSA funding by any interest or relationship.

#### **Principle 4: Accountability**

- MPs are accountable for their decisions and must be prepared to explain how they have assured themselves that their actions are in line with IPSA's rules, guidance and regulatory principles.
- MPs must accept their responsibilities as employers, adhering to good employment practices and seeking expert advice as needed.
- MPs are responsible for overseeing the actions of their staff members and, to the extent that could reasonably be expected, ensuring their staff use IPSA funding in line with IPSA's rules, guidance and regulatory principles.
- MPs must deal with IPSA in an open and cooperative way and must provide information relating to their staffing and business costs that IPSA would reasonably need to perform its statutory functions.

## Part B – Funding to support MPs’ parliamentary work

### 1 Accessing IPSA funding

- 1.1 IPSA provides funding to MPs to support them in their parliamentary work. In making a request for funding under the Scheme, MPs must certify that the expenditure is for the performance of their parliamentary functions, and that in incurring the expenditure they have complied with the Scheme.
- 1.2 IPSA will set out in guidance any budget limits which apply for the relevant financial year, as well as any limits on certain expenditure within each budget category. IPSA may reduce budgets proportionately when they are made available to MPs after the start of the year or are closed before the end of the year. MPs are responsible for planning, forecasting and managing their budgets using the tools made available by IPSA.
- 1.3 IPSA will set out its methods for providing funding in guidance, including requirements which MPs must meet in order to request funding using those methods.
- 1.4 Where IPSA refuses a funding request, MPs may request IPSA to review its determination. If MPs disagree with the outcome of a review, they may request that it is reviewed by the Compliance Officer for IPSA, in line with the relevant procedures.

### 2 Restrictions on the use of IPSA funding

- 2.1 In complying with this Scheme, MPs may exercise discretion over their use of IPSA funding. At all times, this discretion must be exercised reasonably, taking account of the regulatory principles in Part A.
- 2.2 MPs are responsible for ensuring, in their role as an employer of their staff and with regard to their use of IPSA funding, that they comply with the relevant legal and regulatory frameworks that apply to them.
- 2.3 In line with the principle of **Parliamentary purpose**, no IPSA funding will be provided for the following:
  - attendance at political party conferences or meetings
  - work which is conducted for or at the behest of a political party
  - activities relating to reviews of parliamentary constituency boundaries
  - activities whose purpose is to give MPs a campaigning advantage in general elections and referendums
  - work relating to delegations to an international assembly
  - work relating to the performance of ministerial functions
  - costs of a personal nature, including financial or tax advice.

- 2.4 In line with the principle of **Integrity**, no IPSA funding may be used by MPs for:
- rent, fees or other payment where the MP, another MP or a connected party is the supplier or landlord
  - The purchase of alcohol.
- 2.5 In line with the principle of **Value for money**, no IPSA funding may be used by MPs for:
- penalty charges or other avoidable charges, such as those for late payments
  - costs that are or should be insured or should be funded from other sources.

### **3 Building a staff team**

- 3.1 Funding is provided to enable MPs to recruit, employ and develop staff who support them in their parliamentary functions. IPSA also administers payroll for staff members on behalf of MPs.
- 3.2 MPs must ensure they are aware of relevant legislation relating to employment status, for the purpose of establishing statutory employment rights, as well as the correct payment of tax and National Insurance contributions. MPs are responsible for seeking and adhering to employment advice and good practice in all aspects of their dealings with staff. IPSA may withhold funding where costs arise as a result of the MP's failure to comply with advice of the House of Commons Members' HR Service.
- 3.3 In order for staff salaries, employer pension and National Insurance contributions to be funded by IPSA, the following conditions apply:
- the member of staff is employed on a contract which complies with the IPSA model contract of employment
  - they have a job description which complies with the model job descriptions published by IPSA
  - they are paid in line with the relevant salary range published by IPSA
  - they meet any applicable vetting requirements.
- 3.4 MPs must not use IPSA funding for the employment of a connected party, unless that person was already employed on 8 June 2017.
- 3.5 IPSA may facilitate placements in an MP's office and/or staffing loans between MPs' offices, in accordance with the requirements set out in guidance.
- 3.6 Where IPSA-registered volunteers assist with an MP's duties, funding may be sought to cover incidental expenses including reasonable travel and food which are incurred as a result of parliamentary activity.
- 3.7 IPSA will not accept any requests for payments to staff or other payroll changes which will take the MP over the relevant budget limit for the year.

- 3.8 An allowance is payable to MPs' staff members who are employed on home-based contracts, to cover homeworking costs such as telephone, internet, electricity and gas usage.
- 3.9 IPSA will recognise a staff member's service in a past employment with an MP, for the purpose of certain occupational entitlements, subject to parameters set out in guidance. The arrangements for recognition of past service do not apply to individuals working on casual contracts, placements or volunteers.

## **4 Setting up an office**

- 4.1 Funding is provided to enable MPs to meet the costs of renting, equipping and running MPs' constituency offices, holding surgeries, communicating with constituents and other activities which support their parliamentary functions. Additional funding may be provided to newly elected MPs to assist with setting up their office.
- 4.2 In addition to rental costs, funding may be requested for business rates, utilities, telephone and internet, and other running costs on a constituency office. MPs who routinely work from home may also request funding for the proportion of utility costs incurred as a result of homeworking.
- 4.3 Where an MP grants a licence or gives permission to another person to use the constituency office or any part of it (such as a subletting arrangement), they must charge a fee reflecting an appropriate proportion of the rent and other costs incurred and must pay this to IPSA in its entirety.

## **5 Working from two locations**

- 5.1 Funding for parliamentary accommodation is provided to MPs representing a constituency outside the London Area, with the exception of those who occupy 'grace and favour' accommodation in London by virtue of a particular office held. MPs must have regard to IPSA guidance on accessing funding for accommodation consistently with the principle of Integrity, before requesting funding for such costs.
- 5.2 MPs may use IPSA funding for accommodation in either the constituency or London (but can only do so for one location), including:
- hotel accommodation;
  - for rented accommodation, rental payments and associated costs; or
  - for MPs who own their property, associated costs only.
- 5.3 Where MPs have sought funding for rent and/or associated costs, they must be resident at the property and may not sublet any part of it.

- 5.4 IPSA may provide additional accommodation funding to enable MPs to maintain their family and caring responsibilities, in accordance with the requirements set out in guidance.
- 5.5 No funding will be provided for personal costs related to living in an accommodation, such as cleaning, gardening, television licences/services, furniture or household items.

### **MPs for London Area and Outer London Area constituencies**

- 5.6 MPs representing a constituency in the London Area are not eligible for accommodation funding but may request the London Area Living Payment (LALP), which is intended to contribute towards the additional cost of living in the London Area, subject to the exception below.
- 5.7 MPs representing Outer London Area constituencies may request either the Outer London LALP amount; or funding for accommodation. Outer London MPs who opt for accommodation funding will be subject to the arrangements relating to accommodation and travel that apply to non-London MPs.
- 5.8 No MP who occupies 'grace and favour' accommodation in London by virtue of any particular office held may receive the LALP or Outer London LALP.

## **6 Managing properties**

- 6.1 MPs may only use IPSA funding for rent and other costs on an accommodation or office property if it has been registered with IPSA in accordance with its requirements. MPs are responsible for keeping this registration up to date.
- 6.2 IPSA may seek a valuation to confirm the market rental rate for a property which is funded by IPSA, in any circumstances where it considers it appropriate.
- 6.3 MPs may apply to IPSA for a loan to cover a deposit payable at the commencement of a tenancy. Any such loan may be subject to conditions set out by IPSA. This amount must be repaid in full to IPSA when the tenancy comes to an end or where the MP leaves Parliament, by the deadline set by IPSA. The MP is responsible for any shortfall between the deposit paid and the amount returned.
- 6.4 MPs may also apply for a loan for a holding deposit before the start of the tenancy. Holding deposit loans may be subject to conditions set out by IPSA. This amount must be repaid to IPSA or recovered via other means, by the required deadline.

## **7 Business travel**

- 7.1 IPSA provides funding to cover travel and travel-related subsistence when in support of the MP's parliamentary functions.

## **Travel by MPs**

- 7.2 MPs may request funding for the following types of parliamentary journeys:
- journeys between London and the MP's constituency
  - journeys within the MP's constituency
  - journeys to another UK location
  - journeys to other countries in Europe.
- 7.3 No funding will be provided to cover MPs' routine commute, meaning the journey between their constituency office and constituency residence or between Westminster and their London Area residence, or for any other personal travel.
- 7.4 MPs may request funding for overnight hotel stays where they have travelled for parliamentary reasons and it would be unreasonable to return to either their constituency or London Area residence. They may also purchase food and non-alcoholic drinks when travelling away from the London Area and their constituency, in accordance with guidance.
- 7.5 MPs who have been working late on parliamentary matters may request funding for a taxi to their London Area residence or for an overnight stay in a hotel.

## **Travel by staff members**

- 7.6 Staff members are eligible for funding to cover travel, provided this is in the performance of their role, occasional and for specific purposes.
- 7.7 No funding will be provided to cover staff members' commutes between their home and normal place of work, the routine journey to a second place of work, or any other personal travel.
- 7.8 Staff members may request funding for overnight hotel stays where they have travelled for parliamentary reasons and it would be unreasonable to return home. They may also purchase food and non-alcoholic drinks when travelling away from their normal place of work, in line with guidance.

## **Travel by MPs' family members**

- 7.9 MPs who have registered a spouse/partner and/or dependants with IPSA may request funding for them to travel between the MP's constituency and London. Where a dependant needs assistance from a carer while travelling, the cost of the carer's travel may also be funded.

## **8 Additional support**

### **Disability assistance**

- 8.1 Funding will be provided to cover the cost of reasonable workplace adjustments for people with disabilities including the MP, staff members, volunteers, job applicants or constituents visiting the office or a surgery.

### **MP and staff absence**

- 8.2 Where MPs take time off after the birth or adoption of a child, or for other reasons such as an illness, IPSA will fund cover for their office during the period of absence.
- 8.3 IPSA will also provide additional funding to cover payroll costs where staff members are on a period of leave, including maternity, paternity or adoption leave; long-term sick leave; or on mandatory training in connection with their role as armed forces reservists.

### **Exceptional funding**

- 8.4 In exceptional circumstances and following application by an MP, IPSA may provide additional funding where the MP has exceeded a particular budget or cost limit for the year; or where they have incurred a cost outside of the Scheme but which they consider to be in support of their parliamentary functions.
- 8.5 IPSA may, at its discretion and on an individual basis, provide any additional financial assistance to MPs it deems necessary to assist them in carrying out their parliamentary functions.

## **9 Leaving office**

- 9.1 Where an MP leaves office, they may request funding under this Scheme for costs incurred after leaving Parliament, during the winding-up period as defined in guidance. Former MPs are expected to wind up their office in a way that minimises the cost to the taxpayer. IPSA may set restrictions on such funding in guidance.
- 9.2 Former MPs who leave Parliament at a general election will be eligible to receive a winding-up payment.
- 9.3 In addition, former MPs who lose their seat at a general election – meaning they stood for re-election but were unsuccessful – will be eligible to receive a loss-of-office payment.
- 9.4 In exceptional cases, IPSA may delay payment until after former MPs have made certain arrangements to wind up their affairs.

## **Part C – Enforcement**

### **Repayment of money to IPSA**

1. MPs will be required to make repayments to IPSA in circumstances including, but not limited to:
  - where they have been provided funding that IPSA subsequently determines should not have been provided
  - where they have exceeded their budget in a particular category of spending
  - where repayment is agreed with or directed by the Compliance Officer for IPSA following an investigation.
2. If repayments are not made by a communicated deadline, IPSA will make arrangements to recover the amount. This may include deducting amounts owed from an MP's salary.
3. In appropriate circumstances, IPSA may agree to work with MPs to recover any overpaid amounts or debts directly from third parties.

### **Taking regulatory action**

4. IPSA's priority is to support MPs and their staff members to understand their responsibilities in relation to this Scheme and to comply with its principles, rules and guidance. Where non-compliance is identified, IPSA may take action in a targeted and proportionate way, based on the circumstances and assessment of risk.
5. In cases of persistent, serious and/or wilful non-compliance with this Scheme and supplementary guidance, IPSA may take more significant regulatory action, which may include:
  - restricting an MP's use of IPSA funding for certain types of costs or through certain methods
  - a letter of concern or letter of non-compliance, which may be published
  - referral to the Compliance Officer for IPSA
  - referral to the Parliamentary Commissioner for Standards or other appropriate regulator
  - where there is evidence of criminality, referral to the police.

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