

11 December 2020

Dear Member of Parliament,

Decision on MPs' salaries for 2021-22

In 2009, Parliament gave IPSA a legal duty to independently review, and publicly consult on, MPs' pay within a year of a new parliament being formed. To that end, IPSA undertook a consultation starting in October this year, which included the proposal that the existing approach to determining MPs' pay could continue.

This approach, explicitly intended to last a generation when it was put in place in 2015, links MPs' pay to an official statistic on public sector pay that is first published each year in mid-December. Using this ONS indicator in this way has met our aims of ensuring that MPs are fairly remunerated and that as far as practicable adjustments to MPs' remuneration reflect the experience of other working citizens. We said in October that while the actual outcome was then unknown, because of the time lag involved, any significant change in public sector pay awards this year would be reflected in MPs' pay in subsequent years.

The unprecedented impact of the Covid pandemic has had an unexpected, but different, effect on public and private sector earnings. It is clear that applying the forthcoming official statistic for public sector earnings growth would result in a salary increase for MPs that would be inconsistent with the wider economic data and would not reflect the reality that many constituents are facing this year.

The IPSA Board has therefore decided that the salary for Members of Parliament will remain unchanged for the financial year 2021-22.

IPSA is grateful for the many individual responses we received from the public during the consultation exercise and which were taken into account in making this decision. As well as calling for IPSA to take a different approach now in light of the pandemic, a number of responses also included suggestions for alternative approaches to adjusting pay in future years. The IPSA Board will be reflecting on these suggestions and will publish its response to the consultation next year.

Yours sincerely,



Richard Lloyd
Interim Chair