

11 March 2021

Today we have published details of MPs' business costs for October and November 2020, and details of our determination on MPs' pay. Alongside this we have launched a consultation on our proposed response to the McCloud judgement. You can find more details below.

Today we have published the findings of our Annual Survey of MPs and Staff for 2020. Every year, we ask MPs and staff to provide feedback on the service that we provide. The survey was completed by 303 MPs or staff members. The survey report, including our plans to address the findings, can be found on our website <u>here</u>.

This bulletin contains new information on the following:

- Publication of Business Costs
- MP Staff Pay Ranges for 2021-22 and Automated Payment of Salary Increases
- Reward and Recognition Payments for 2020-21

- MPs' Pay and McCloud Consultation
- Remittance Advice for Proxies

Important information you should still be aware of includes:

- Year-end 2020-21
- Training and Development
- Contacting us

With best wishes

The IPSA Team

### **Publication of Business Costs**

The latest publication of MPs' business costs, for claims processed between October and November 2020, can now be viewed on the <u>IPSA website</u>. The next publication will be in May.

# MP Staff Pay Ranges for 2021-22 and Automated Payment of Salary Increases

The MP staff pay ranges for 2021-22 have been published, you can find these on our website <u>here</u>.

A small number of pay band minimums are increasing in 2021-22. Staff members whose current salaries fall below those new minimums will receive an increase if needed to ensure they remain within the band.

As we announced on 25 February, following last year's consultation we will automatically adjust MPs' staff salaries. For the next financial year, 2021-22, the IPSA Board has agreed a figure of 1% which will be paid to all MPs' staff unless their employing MP has opted out. **You do not have to take any action for the 1% pay increase to be implemented.** The MP is still able to award a further increase over and above the 1% if they wish and if affordable within the overall budget. In this case, when submitting a contractual changes form, please state clearly what the overall change in salary should be using the description field (for example, an additional 1% on top of the automatic 1%, or state the final salary amount). This will help to ensure that any additional changes are processed correctly.

As detailed in the letter from IPSA's Interim Chair, Richard Lloyd:

"IPSA fully recognises the vital role MPs' staff play in serving constituents. Many staff members have seen substantial increases in their workloads in recent years, as expectations among constituents of MPs' offices has changed, and as a result of the Covid-19 pandemic. MPs' staff are not civil servants and receive fewer benefits than public sector workers. We felt it was right in the circumstances to allow for a modest cost-of-living increase for MPs' staff."

#### **Reward and Recognition payments for 2020-21**

Monday 15 March is the deadline for all salary payments for the March payroll. Payments for reward and recognition can be made from the 2020-21 budget after this time if they are included on the <u>year-end form</u>. The year-end form must be submitted by 15 April and the reward and recognition form by 14 May. We will then move the cost back to the 2020-21 budget.

## **MPs' Pay and McCloud Consultation**

Today we have published our report following the consultation on periodic adjustments to MPs' pay carried out in October 2020.

In December 2020 we announced that MPs' salaries for 2021-22 would remain unchanged. The report contains the formal determination which gives effect to that decision, and more information on the consultation responses we received and how they informed our decision. We also set out some reflections on the future approach to setting MPs' pay which may lead to a further consultation in due course.

You can find the full report and summary here.

#### MPs' Pensions and the McCloud Judgement Consultation

Today we are also launching a consultation on our policy response to the McCloud court case. This will affect the pension arrangements for some, but not all, serving MPs, and some former MPs.

The proposals arise from the McCloud court case which found that some of the transitional arrangements made to other public sector pension schemes in 2015 resulted in age discrimination. We have considered whether the transitional arrangements we put in place for the MPs' Scheme need to be changed as a result.

In the consultation we set out our view that some members were treated unfairly in the transition to the CARE scheme in 2015. As a result, we propose that people who were in the impacted group will be given a choice to either stay in the CARE scheme or return to the Final Salary scheme for a period of several years starting from May 2015. In line with the government's approach to other schemes, we also propose to close the Final Salary scheme to future accruals and consult on when this should happen.

We recognise that this news could be unsettling for those affected and we are working closely with the PCPF Trustees to ensure that affected Members receive further communications in due course.

### • Am I affected?

If you became an MP for the first time on or after 8 May 2015, you are **not** affected by the proposals.

If you were an MP between 1 April 2013 and 7 May 2015, you are likely to be affected. Not everyone will be affected in the same way. The consultation document explains how different people are affected.

#### • What do I need to do?

You do not need to make any decisions about your own situation now, but you may find it helpful to read the consultation to understand choices you may need to make later. The PCPF Trustees are aware of the consultation and will be contacting impacted members soon.

All MPs, whether personally affected or not are welcome to respond to the consultation. The consultation seeks feedback on how and when we ask impacted members to make decisions, and when the changes would be implemented.

#### • How can I find out more?

The consultation document can be found on our website <u>here</u> and you can respond to it <u>here</u>.

The PCPF are holding a Pensions Surgery for MPs on this and other pension topics on Wednesday 17 March, from 12:00-14:00, which IPSA staff will also attend. To register, please contact the PCPF Secretariat: pensionsmp@parliament.uk.

The PCPF are not able to provide individual pensions figures as a result of this consultation. But if you have any questions please contact the PCPF Secretariat (email above) who may not be able to answer all your questions at this stage but will endeavour to do so in due course.

### **Remittance Advice for Proxies**

Expenses proxy Bs can access a new report on IPSA Online which details the information found on remittance advice slips.

The report will contain all fields that are currently displayed on a remittance advice slip. It will be updated when a payment has been made and a remittance advice slip issued.

When the report has been updated with a new payment, each MP and expenses proxy B will receive an automated email alert including instructions for how to view the report within IPSA Online. An expenses proxy B can: do all the expenses tasks for their MP, approve everything apart from their own expenses, and view the MP Dashboard. Full guidance on proxy permissions can be found <u>here</u>.

#### Year-end 2020-21

We have published year-end guidance to help you manage your finances across the end of financial year 2020-21. All MPs should check their financial position for this financial year and complete a year-end form to make sure spending is allocated to the correct financial year.

Please refer to the guidance we provided <u>here</u>, which includes FAQs and helpful tips. The correct submission of documentation is your responsibility and it is therefore vital all MPs and staff understand the deadlines and what you need to submit to IPSA.

If you need to complete a year-end form please do so and submit it, along with the necessary supporting evidence on IPSA Online, to <u>info@theipsa.org.uk</u> by 23:59 on Thursday 15 April 2021.

#### **Training and Development**

We currently have a programme of training sessions on a range of subjects. These explain our rules, demonstrate processes and answer other questions you may have. Our current programme of sessions includes:

- Year-end 2020-21
- Budget Management: Claims, Debt and Spend
- Reconciling your Payment Card
- Staffing Budget Report
- Property Registration, Management and Amendment
- IPSA Online Training

Click here for more details and to register

## **Contacting us**

There is information available on the IPSA website for MPs and staff.

Queries or documents can be submitted to IPSA teams by emailing the MP Support (<u>info@theipsa.org.uk</u>) or Payroll teams (<u>payroll@theipsa.org.uk</u>). We accept scanned documents and forms on IPSA Online. Please do not mail documents to our office.

You can arrange to speak with a member of our MP Support or Payroll teams. Our call booking service can be found <u>here</u>.

If you are submitting a New Starter form, please include their parliamentary email address so that we can set up their IPSA Online account with this email.

If you are repaying money to IPSA, please make a BACS payment and email a completed <u>repayment form</u> to <u>info@theipsa.org.uk</u>. Our bank details can be found on the repayment form.