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Member of Parliament  
House of Commons  
London SW1A 0AA

22 March 2010

Dear Member:

#### **NEW EXPENSES SCHEME FOR MPs**

I am writing to inform you of the progress made in establishing the Independent Parliamentary Standards Authority (IPSA), and the expected timetable of developments over the next few months. This letter complements the letter and accompanying briefing note from Andrew Walker dated 17 March.

#### **The new scheme**

Following our consultation on the new expenses scheme, we have published responses at [www.mpexpensesconsultation.org.uk](http://www.mpexpensesconsultation.org.uk). All the views we received are now being considered by the IPSA Board as part of its work in designing the new scheme, which will represent a complete break from the past. We will publish the new expenses scheme on Monday 29 March, and guidance on the practical application of the scheme thereafter.

IPSA will train you, and those of your staff who support you in your Parliamentary business, in how to use the new online expenses system.

#### **IPSA's responsibilities**

IPSA will administer expenses incurred by those MPs elected at the General Election. All expenses incurred after the election will be subject to the new scheme.

Full details of the arrangements for MPs' and MP's staff salaries are explained in Andrew Walker's letter of 17 March. In summary, IPSA will pay MPs' and MP's staff salaries after the election although, to smooth the transition, the House will continue to administer the salaries of re-elected MPs' existing staff up to and including the month in which the election takes place. We are working closely with the House so that the transition will be as straightforward as possible.

**House of Commons responsibilities**

The House will deal with any outstanding claims from Members arising from expenditure incurred in the 2009/10 financial year, and for any part of the 2010/11 financial year that falls before the General Election.

The House will administer winding-up expenditure, resettlement grant and any other outstanding issues relating to pay and allowances for Members who are not returned at the General Election.

If you have any questions, please call IPSA's helpline on 020 3334 3999, or email us at [info@ipsa.gsi.gov.uk](mailto:info@ipsa.gsi.gov.uk). Please bear in mind that IPSA staff on the helpline will not be able to advise you on the detail of the expenses scheme until it is published, but will be happy to deal with queries regarding the consultation and the timescales involved.

When we move to our new offices in early April, our contact details will change, and I will write to you again once we know these.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Andrew McDonald', with a horizontal line underneath the name.

ANDREW McDONALD