



1 March 2010

To all Members of Parliament

As you know, the Independent Parliamentary Standards Authority (IPSA) has been established to take over responsibility for the payment of Members' salaries and the determination and payment of Members' expenses. This has implications for how your salary and expenses, and your staff's salaries, will be administered in future. We are writing to you at this stage to confirm the broad division of responsibility between the House service and IPSA and to outline at a high level how the administration of Members' salaries and expenses will operate following the General Election – see overleaf.

You will shortly receive further and more detailed letters: from IPSA, about the publication schedule for IPSA's statutory scheme; and from the House Administration, about the operation of the House's service to Members during the transitional period. In the meantime, we wish to underline our intention that Members and their staff should receive a coordinated service from the House and IPSA during the period of handover.

If you have any queries about IPSA, please contact the IPSA helpline on 020 3334 3999. For queries about the House's current allowances system, please contact the Department of Resources on 020 7219 1340.

Yours sincerely

Andrew Walker

Director General of Resources
House of Commons

Andrew McDonald

Interim Chief Executive
IPSA

Administration of Members' salaries and expenses before and after the General Election

Before the Election

The House's Department of Resources will remain responsible for operating the current system of allowances, and paying Members' salaries and Members' staff salaries, up until the General Election.

After the Election - returning Members

IPSA will be responsible for administering the expenses of Members who are elected or re-elected at the General Election, under its new scheme. IPSA will also be responsible for managing Members' and Members' staff salaries. As mentioned above, IPSA will be writing to Members shortly about the publication schedule for the scheme.

The Department of Resources will be responsible for settling any outstanding claims from Members arising from expenditure incurred in the 2009/10 financial year and any part of the 2010/11 financial year that falls before the General Election.

Retiring and defeated Members

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