

16 July 2010

Our ref: AM-116

Dear Sirs,

MPs' STAFFING BUDGETS

I am replying on Andrew McDonald's behalf to your letter of 28 May in which you express concern about the level of the staffing budget for MPs administered by IPSA. I am sorry for the delay in replying, but in the meantime we have taken a number of measures to address your concerns.

These were set out in Andrew McDonald's letter of 9 June to MPs, which can be found on our website. The salient points of that letter were as follows:

In setting the staffing budget for this financial year we worked from MPs' staffing pay ranges last year and made provisions for pension contributions, for national insurance and for inflation. As you know, IPSA has been asking MPs who believe the budget to be insufficient for their needs, to provide evidence by November. Concerns have been expressed about the uncertainty involved in waiting until then; therefore IPSA is accelerating the process. MPs can get in touch now with evidence of their requirements if they are finding difficulty in staying within budget. We will need evidence of staff numbers, the costs of each member of staff and their headline job descriptions, along with a description of why the particular staff complement is needed. IPSA will consider that evidence and decide whether the MP should be able to operate with a higher budget for this

financial year (ending March 2011). We also intend to conduct a wider review of the staffing budget arrangements this autumn. This will feed into decisions about staffing budgets in the longer term.

I can also confirm that, for staff members who were employed before 7 May 2010, IPSA will honour their existing contracting arrangements, including their salaries. If any existing member of staff has a contractual arrangement that falls outside the IPSA model contracts and pay ranges then MPs should notify IPSA of this exception by 30 June. This is required by the expenses scheme rules. It is not for IPSA to approve or reject these exceptions. The commitment outlined above relates to salaries and other contractual entitlements: it does not cover non-contractual bonuses.

Therefore, with arrangements as they currently stand, returning staff (i.e. staff employed before 7 May) should not need to take a pay cut and returning MPs should not need to make such staff redundant. However, it is clearly for MPs themselves to determine how they use their staffing budget and for them to determine whether they need to request an uplift to that budget under the contingency arrangements we have set out. We are currently considering contingency applications on a case-by-case basis weekly.

In your letter, you also raise the question of the recognition of representatives of Members' staff. This is an issue we are carefully considering with a view to formalising liaison arrangements with groups representative of Members' staff. My colleague, Kate Mathers (Acting Director of Operations) is look at this matter.

Yours sincerely,

John Sills
Director of Policy