

## SPICe Briefing

# Parliamentary Pay and Expenses

9 September 2010

10/56

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This briefing provides an outline of the system of parliamentary pay and expenses in the Scottish Parliament. It gives data on expenditure against Members' expenses for 2009-10 and parliamentary pay for 2010-11. The Briefing provides comparative information on salaries in the UK Parliament, the National Assembly for Wales, the Northern Ireland Assembly and the European Parliament. It also provides information on the financial assistance available to certain political parties in the Scottish Parliament. It updates [SB 09-83 Parliamentary Pay and Expenses](#).

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## EXECUTIVE SUMMARY

### Background

The Scottish Parliament has made provision for a variety of expenses to be reimbursed to Members of the Scottish Parliament (MSPs) on the basis of expenditure incurred. The current Reimbursement of Members' Expenses Scheme came into effect on 1 October 2008, following the [Allowances Review](#) chaired by Sir Alan Langlands. Further modifications to the scheme were made on 24 March 2010 following a review by Sir Neil McIntosh.

The Scottish Parliament Party Leaders' Allowances Scheme provides for reimbursement of specified expenses incurred by a leader of a political party with 15 or more members represented in the Parliament. Leaders of parliamentary parties whose party contains members of the Executive (Scottish Government) do not qualify for the scheme.

Financial assistance is available to non-executive political parties in the Scottish Parliament to assist their members in the performance of their parliamentary duties. Eligibility for the scheme depends on being a registered political party and on members of the party not holding more than a specified number of ministerial or junior ministerial posts. The Scottish National Party, as the executive party is currently not eligible for this assistance.

Information on individual Members' expenses claims in respect of the last five financial years (2005-06 to 2009-10) can be retrieved from the Scottish Parliament website. A breakdown and analysis of expenditure for 2009-10 is set out in this briefing.

In 2009-10 the total costs reimbursed to or paid on behalf of Members, or borne by the Scottish Parliament Corporate Body (SPCB) on behalf of Members were £11.662 million. This represented an increase of £0.706 million, or 6.45% on the previous year's corresponding figure of £10.956 million. In the same period RPI increased by 4.4% and CPI by 3.4%.

Scheme	2009-10 (£)	2008-09 (£)	Change	
Expenses	11,146,554	10,439,876	£706,678	6.77%
Party Leaders' Allowance	44,651	£39,397	5,254	13.34%
Stationery and Postage Provision	£471,393	-	N/A	N/A
Office Supplies	-	£476,931	N/A	N/A
<b>Totals</b>	<b>£11,662,598</b>	<b>£10,956,204</b>	<b>£706,394</b>	<b>6.45%</b>

The current annual salary of a Member of the Scottish Parliament is £57,521. Ministers and Officeholders receive a further salary in addition to their MSP salary. Until such time as the SPCB decides to break the link, MSPs' salaries are maintained at 87.5% of the salary payable to Members of the House of Commons. MPs and MEPs receive a basic annual salary of £65,738. Members of the National Assembly for Wales receive £53,852 and Members of the Northern Ireland Assembly receive a basic annual salary of £43,101. Additional salary entitlements are paid to Officeholders and ministers in all these legislatures.

# EXPENSES

## BACKGROUND

It is for the Scottish Parliament to determine the levels of, and arrangements for, the reimbursement of Members' expenses. From 8 June 2006, the Parliament enabled public access to the claims made by individual MSPs under the Parliament's Expenses Scheme, through a web-based [searchable database](#). The data represent actual amounts claimed from the maxima as set out in Table 4.

## REVIEWS OF THE SCHEMES IN THE SCOTTISH PARLIAMENT

The review of 2007-8 was discussed in detail in SPICe Briefings 09-06 [Parliamentary Pay and Expenses 2007-08 and Pay and Expense Rates 2008-09](#). (Earle 2009a) and 09-83 and [SB 09-83 Parliamentary Pay and Expenses](#) (Earle 2009b). The review gave rise to the scheme that came into effect on 1 October 2008. The categories of allowable expenses are set out in Table 1 and expenses limits are set out in Table 4, below.

On [5 June 2009](#), it was announced that there would be an Independent Examination carried out on Holyrood's Expenses Scheme, under Sir Neil McIntosh. The remit of this review was:

To consider the Reimbursement of Members' Expenses Scheme and report to the Corporate Body on whether any changes are desirable, taking account of the fact that:

- the scheme was recently introduced following an independent review led by Sir Alan Langlands
- it is generally regarded as working well.

Consideration should focus, in particular, on whether key elements of the scheme:

- could be expected to continue to command public confidence and
- are fair to Members in undertaking their Parliamentary duties.

Account should be taken of any proposals emerging from the reviews of allowances elsewhere in the United Kingdom which are considered relevant to Scotland.

Sir Neil presented his report on [The Scheme for the Reimbursement of Members' Expenses](#) to the SPCB in December 2009 (McIntosh). All the recommendations were accepted by the SPCB and a revised Reimbursement of Members' Expenses Scheme was approved by Parliament on 24 March 2010. The main changes to the scheme included provisions for setting an end date of 31 July 2015 for the entitlement to reimbursement of staff costs for any close family member then employed by an MSP. In addition, at present Members may transfer up to one-third of their office costs provision to their staff costs provision once in any financial year. The revised scheme provides that the number of times a Member may make such a transfer is increased to up to two times in any financial year and that the amount that may be transferred is increased up to a total of 50% of the office costs provision.

As of 1 April 2011 the reimbursement of mortgage interest payments will cease. A qualifying Member who chooses to retain his or her property as a second home without any form of mortgage support from the Parliament as an alternative to leasing accommodation will be entitled to claim for council tax and water charges, factoring charges, utility costs and telecommunication costs together with contents insurance for the Edinburgh property. In line with current taxation legislation, a further recommendation was that, when a property on which mortgage interest has been claimed is sold, it will be declared to Her Majesty's Revenue and Customs (HMRC) as a second home for Capital Gains Tax purposes.

With effect from 1 April 2010, where any Member shares leased accommodation with another Member or Members then the entitlement to the reimbursement of costs is based on the annual

limit for one Member of reimbursement of leased accommodation in Edinburgh (currently £12,000) plus one-third of the annual limit for each additional Member, apportioned between the Members. Provision has also been made for the registration of the employment of close family members of one Member by another Member. This is similar to the existing arrangements for the registration of the employment of a close family member by a Member.

The existing winding up provision was extended to include the reimbursement of costs in connection with terminating the lease for an Edinburgh residential property and associated costs where lease costs have been reimbursed to the Member, for travel costs associated with winding up an office or the leased residence and the travel costs of a member of staff involved in supporting the Member to wind up an office. This winding up provision is up to a maximum equivalent of one-third of the office costs provision.

## FINANCIAL ASSISTANCE FOR ‘NON-EXECUTIVE’ PARTIES

Section 97 of the Scotland Act 1998 provides for an Order in Council to allow the SPCB to provide [assistance for opposition parties](#) by making payments to registered political parties in the Parliament “for the purpose of assisting members of the Parliament who are connected with such parties to perform their Parliamentary duties.” The applicable Statutory Instruments have been discussed in previous Briefings (Earle 2009b). To be eligible, a party may have no more Ministers or Junior Ministers than one fifth of the total number of Ministers and Junior Ministers within the Scottish Executive. An eligible party is entitled to an annual sum based on the number of members of the Parliament who are connected to the party, and the Assistance Order makes provision for annual up-rating of this sum.

Table 1 shows the amounts eligible parties actually claimed in the period 2009-10. The annual entitlement per seat was £6,453.01. It indicates a combined spending of £3,203.31 below the allocated amounts.

**Table 1: Financial Assistance to Non-Executive Parties: 2009-10 (£)**

Eligible party	Seats	Total Eligible amount	Amounts claimed
Scottish Labour Party	46	296,838.46	296,838.46
Scottish Liberal Democrats	16	103,248.16	102,234.29
Scottish Conservative & Unionist Party	17	109,701.17	109,701.12
Scottish Green Party	2	12,906.02	10,716.63
<b>Totals</b>	<b>81</b>	<b>522,693.81</b>	<b>519,490.50</b>

Table 2 shows the amounts eligible political parties are *entitled* to claim for the period from 1 April 2010 to 31 March 2011. The entitlement of £6,453.01 per seat for 2009-10 was uprated by 4.4% based on the Retail Price Index at March 2010 so that the entitlement per member is £6,736.94 for 2010-11.

**Table 2: Non-Executive Party Entitlements: 2010-11 (£)**

Party	Seats	Eligible amount
Scottish National Party	N/A	-
Scottish Labour Party	46	309,899.24
Scottish Conservative and Unionist Party	17	114,527.98
Scottish Liberal Democrats	16	107,791.04
Scottish Green Party	2	13,473.88
<b>Totals</b>	<b>81</b>	<b>545,692.14</b>

For further information on the funding of political parties, which is a matter reserved to Westminster, see House of Commons Research Paper 08/74 [The Political Parties and Elections](#)

[Bill](#) (House of Commons Library 2008) and 07/34 [The Funding of Political Parties](#) (House of Commons Library 2007).

## EQUIPMENT, FURNITURE AND OFFICE SUPPLIES

Arrangements have been made for the provision of equipment, furniture and office supplies to Members the cost of which are not claimed against expenses. Equipment and furniture is procured for Members' use but remains the property of the SPCB.

## STATIONERY AND POSTAGE PROVISION

With effect from 1 April 2009, the SPCB introduced an annual capped limit of £5,500 on some items of postage and stationery. The guiding principle, as set out in the [Code of Conduct for Members](#), is that stationery and postage must be used only for parliamentary duties and must not be used for any other purpose, including party political purposes.

Items such as plain paper and envelopes are provided centrally to Members and do not form part of the capped provision. However, items such as postage – including the pre-paid element, stamps, freepost, courier, parcels, parliamentary headed envelopes, costs of personalising office stationery to Members requirements such as addresses, photographs, messages and the printing of newsletters / surveys / annual reports must be charged to the Capped Provision up to the maximum annual limit, the Office Costs provision of the Reimbursement of Members' Expenses Scheme or an amalgamation of both.

## EXPENSES RATES

Table 3 indicates expenses and provisions limits for the current and previous financial years. Previous years rates have been published in SPICe Briefings 09-06 [Parliamentary Pay and Expenses 2007-08 and Pay and Expense Rates 2008-09](#) (Earle 2009) and 09-83 [Parliamentary Pay and Expenses](#) (Earle 2009b), along with detailed descriptions of the [Scheme](#) itself.

**Table 3: Expenses and Provisions Limits 2009-10 and 2010-11 (maxima)**

Expense	Rate	
	2009-10	<a href="#">2010-11</a>
<b>Office Cost Provision (Constituency Members)</b>	£15,700	£16,300 <sup>a</sup>
<b>Staff Cost</b>	£58,700	£59,500
<b>Surgery Advertising</b>	£1,562	£1,620
<b>Telecommunications</b>	£1,185	£1,229
<b>Edinburgh Accommodation</b>	<b>2009-10</b>	<b>2010-11</b>
Annual Provision	£12,000	£12,500
Overnight Rate	Up to £134	Up to £139
<b>Overnight Expenses</b>	<b>2009-10</b>	<b>2010-11</b>
London, Strasbourg & Brussels	Up to £157	Up to £163
Elsewhere	Up to £134	Up to £139
Outside UK, Strasbourg & Brussels <sup>b</sup>	As determined by SPCB	
<b>Office Cost Winding Up</b>	<b>2009-10</b>	<b>2010-11</b>
Constituency Member	£5,233	1/3 of Office Cost Provision
Regional Member	1/3 Office Cost Provision	
<b>Staff Cost Winding Up</b>	Member should contact the Human Resources Office for details	

<b>Members Travel</b>	
<b>2009-10 and 2010-11</b>	
Motor Mileage	40p per mile for first 10,000 miles claimed
	25p per mile for every mile over 10,000 claimed
Motor Cycle	24p per mile
Pedal Cycle	20p per mile
<b>Staff Travel</b>	
<b>2009-10 and 2010-11</b>	
No. of journeys	74 journeys
Motor Mileage Rate	40p per mile for first 10,000 miles claimed
	25p per mile for every mile over 10,000 claimed

<sup>a</sup>. The overnight allowance is to meet the cost of bed, breakfast, evening meal and refreshments. Alcohol costs will not be reimbursed except when taken with a meal up to a maximum limit of £8 but within the overall overnight rate.

<sup>b</sup>. Regional Members will be advised of their Office Cost Provision on an individual basis

## SCOTTISH PARLIAMENT TOTAL EXPENDITURE FOR 2008-09 AND 2009-10

In Table 4, below, data have been provided for actual expenses expenditure for all four quarters of the 2009-10 financial year, which were subject to expenditure limits for that year. In 2009-10 the total costs reimbursed to or paid on behalf of Members, or borne by the SPCB on behalf of Members were £11.662 million. This represented an increase of £0.706 million or 6.45% on the previous year's corresponding figure of £10.956 million.

**Table 4: Allowances Expenditure**

<b>Scheme</b>	<b>2009-10 (£)</b>	<b>2008-09 (£)</b>	<b>Change</b>	
Expenses	11,146,554	10,439,876	£706,678	6.77%
Party Leaders' Allowance	44,651	£39,397	5,254	13.34%
Stationery and Postage Provision	£471,393	-	N/A	N/A
Office Supplies	-	£476,931	N/A	N/A
<b>Totals</b>	<b>£11,662,598</b>	<b>£10,956,204</b>	<b>£706,394</b>	<b>6.45%</b>

The above figures include staff costs not identified in the individual MSP data. Further details of individual MSP allowances and categories of allowance are provided on the [MSP Allowances](#) section of the Scottish Parliament website.

## DETAILED BREAKDOWN OF SCOTTISH PARLIAMENT EXPENDITURE

A breakdown of expenditure under the Allowances Scheme is provided in the [SPICe User Guide to the Allowances Search engine](#). Further [details on the expenditure of each MSP](#) are available through the Parliament's website.

The following information is therefore at an aggregate level only:

- Details of salary, pension and national insurance contributions of Members' employees in 2009-10 was £8,395,460 (2008-09: £7,320,695). Expenditure on stationary and postage provision was £471,393. This is a new provision capped at £5,500 per member. Expenditure in 2008-09 on office supplies was £476,931. Total expenditure on childcare vouchers for 2009-10 was £36,484 (2008-09: £37,453).
- Total security related expenditure for 2009-10 was £5,073 (2008-09: £8,022).

All other expenditure under the Allowances Scheme and detailed for individual MSPs is available on the [Members Expenses Scheme](#) section of the Scottish Parliament website. The individual MSP data is organised by "claim month". The first date appearing in any claim will

determine under which month the whole claim appears. For example, if a claim covering January, February and March is submitted, the “claim month” will be shown as January. An [Allowances Search User Guide](#) is available on the Parliament’s web site.

## EXPENSES IN THE UNITED KINGDOM PARLIAMENT

For more information on expenses of Members of the House of Commons and the House of Lords see House of Commons Library Standard Note [Members' pay and allowances from April 2010](#). (Kelly 2010) In that Note, it is pointed out that:

Under the provisions of the *Parliamentary Standards Act 2009*, [the Independent Parliamentary Standards Authority (IPSA)] has to prepare and regularly review and revise an allowances scheme for Members of Parliament. IPSA is also responsible for paying allowances under the Scheme it prepares.

The IPSA Board was appointed in December 2009; its interim chief executive was appointed in September 2009. In January 2010, it published a consultation paper on its Expenses Scheme. IPSA’s scheme will come into force from the day after the next General Election. Until then the House of Commons will continue to administer Members’ allowances.

Further information on the running of the UK Parliament, including members pay and expenses is available from the House of Commons Library [Parliament and Constitution Centre Research Papers and Standard Notes](#).

Salary rates for Members of the House of Commons and the House of Lords, including those of Ministers and Officeholders, have been set out in tables 7-9 below. Current expenses rates have been set out in Table 5, below.

**Table 5: Summary of Current Rates: House of Commons (2010-11):**

Staffing Expenditure entitlement: £109,548 (maximum)	
Constituency Office Rental Expenditure (CORE)	£12,761 (London area) £10,663 (Elsewhere)
General Administrative Expenditure	£10,394
Miscellaneous Expenses and Financial Assistance	Security (£2,000) Disability Assistance (by application with an assessment) Insurance (by application)
London Area Living Payment	£3,760
Accommodation Expenditure	
Rental payments	£19,900
Mortgage interest payments	£17,500
Additional carer responsibilities	£2,425
Overnight accommodation	Up to £130 per night in London; £105 elsewhere
Winding up Allowance	£40,609
Car Mileage	40p per mile - first 10,000 miles 25p per mile - over 10,000 miles
Motorcycle allowance	24p per mile
Bicycle allowance	20p per mile

## SALARIES

### STATUTORY PROVISION

Details of initial salaries set by the Senior Salaries Review Body and the enabling statutory provision for Scotland have been set out in [SB 07-09 Parliamentary Pay and Allowances](#) (Earle 2007), parts of which have been summarised below for the sake of completeness.

The Scotland Act 1998 (c.46) ('the Scotland Act') provides for pay and allowances to MSPs, Officeholders of the Parliament and Ministers. The Parliament is required under section 81 to make provision (by Scottish Act or by resolution of the Parliament) for the payment of:

- salaries and allowances to MSPs and to members of the Scottish Executive (which includes junior Scottish ministers), and
- pensions and the like to former MSPs, members of the Scottish Executive and Officeholders of the Parliament.

MSPs are not entitled to any salary or allowance until they have taken the oath of allegiance required by section 84. Once they have done so,<sup>1</sup> they are entitled to relevant payments for the whole period since being returned as Members of the Scottish Parliament.

## SALARIES OF MSPS AND SCOTTISH MINISTERS

MSP salaries are set at 87.5% per cent of salaries paid to Westminster Members of Parliament. Scottish Parliament Salaries and Allowances was the subject of debate in the Chamber on 21 March 2002. (Scottish Parliament 2002c) The motion provided that the SPCB should decide salary levels for Members and Ministers and that any future increases should be based on 87.5% of Westminster salaries. This was based on a Senior Salaries Review Body recommendation. The motion was passed on a free vote.

Additional amounts are paid to ministers and officers of the Parliament. Both the Lord Advocate and the Solicitor General for Scotland receive the equivalent of an MSP salary included with their Law Officer salaries.

The current salary of a Member of the Scottish Parliament is £57,521. Salaries of members of the Scottish Executive, junior Scottish Ministers and Members of the Scottish Parliament are set out in the following table:

**Table 6: Salaries for Members of the Scottish Parliament from 1 April 2010 (£)**

Office Holder	Annual Salary	Annual Salary (including MSP salary)
MSP	57,521	57,521
MSP (dual mandate)	19,174	19,174
First Minister	83,326	140,847
Cabinet Secretary	43,227	100,748
Minister	27,077	84,598
Presiding Officer	43,227	100,748
Deputy Presiding Officer	27,077	84,598
Lord Advocate	56,473	113,994
Solicitor General for Scotland	40,837	98,358

Those Members of the Scottish Parliament who hold a dual mandate – that have also been elected to the House of Commons - are listed in a Factsheet: [MSPs with Dual Mandates](#). (Scottish Parliament 2010) MSPs who are also Councillors or members of the House of Lords will not be affected as being a Councillor is classified as separate employment. There may, however, be an obligation on the MSP to declare or register the additional salary as an interest. MSPs who are also MPs or MEPs receive one third of their MSP salary during any period where an MP or an MEP salary is payable to an MSP, regardless of whether the salary was in fact drawn down. Under paragraph 2(2) of the Scottish Parliament Salary Scheme, there is no flexibility for negotiation on this point. (Scottish Parliament 2002b)

<sup>1</sup> This must have been within two months or such other longer period as the Parliament may allow, otherwise they cease to be Members: s84(3)

## GRANTS AND PENSIONS IN THE SCOTTISH PARLIAMENT

Further details of the new pensions scheme, to be introduced in 2011, including grants, are set out in [SB 08-60 The Scottish Parliamentary Pensions Bill: Stage 1 Debate](#). (Earle 2008) This Bill became the [Scottish Parliamentary Pensions Act 2009 \(asp 1\)](#).

## SALARIES IN OTHER PARLIAMENTS AND ASSEMBLIES

This briefing will concentrate on United Kingdom legislatures, although information on other countries may be sought from the [Commonwealth Parliamentary Association](#).

### The United Kingdom Parliament: House of Commons and House of Lords

In January 2008, Members agreed that Sir John Baker would set up a mechanism for establishing their salaries. The Baker Report (Baker 2008) was published in June 2008 (House of Commons Library 2008a). From 1 April 2009, the salary of a Member of Parliament is £64,766, following Parliamentary agreement by acclaim to the [Members' Salaries \(Expression Of Opinion\) \(No. 2\)](#) (3 July 2008). (HC Deb 3 July 2008 col 1088)

In both 2008/09 and 2009/10, Gordon Brown announced that Ministers would not take the increase in ministerial salary. He also said that Ministers would decline their increase in Members' salary as well, as set out below.

After the 2010 election, Ministers agreed on the ground of cutting the cost of government that they would be paid "five per cent less than Ministers received in the previous administration". (House of Commons 2010)

Tables 7 and 8 set out the salary entitlements of Ministers and Office Holders in the House of Commons and the House of Lords, in respect of both the office holder entitlement and the total salary entitlement which includes the addition of the MP salary. Table 9 sets out the Changes following the announcement of the 5% cut.

**Table 7: MPs', Ministers' and Officeholders' Salaries in the House of Commons 2010-11 (£)**

Office	Ministerial entitlement	Full salary entitlement
Member of Parliament	N/A	64,766
Prime Minister	132,923	197,689
Cabinet Minister	79,754	144,520
Minister of State	41,370	106,136
Parliamentary Under Secretary	31,401	96,167
Government Chief Whip	79,754	144,520
Government Deputy Chief Whip	41,370	106,136
Government Whip	26,624	91,390
Assistant Government Whip	26,624	91,390
Leader of the Opposition	73,617	138,383
Opposition Chief Whip	41,370	106,136
Opposition Deputy Chief Whip	26,624	91,390
Opposition Assistant Whip	26,624	91,390
Speaker	79,754	144,520
Chairman of Ways and Means	41,370	106,136
First Deputy Chairman	36,360	101,126
Second Deputy Chairman	36,360	101,126
Attorney General ( <i>d</i> )		
Solicitor General	69,491	134,257
Advocate General for Scotland ( <i>a</i> )		

**Table 8: Ministers' and Officeholders' Salaries in the House of Lords 2009-10 (£)**

Office	Salary
Lord Speaker <sup>a</sup>	108,253
Cabinet Minister	108,253
Minister of State	84,524
Parliamentary Under Secretary	73,617
Government Chief Whip	84,524
Government Deputy Chief Whip	73,617
Government Whip	68,074
Leader of the Opposition	73,617
Opposition Chief Whip	68,074
Lord Chancellor <sup>b</sup>	
Chairman of Committees	84,524
Principal Deputy Chairman	79,076
Attorney General	113,248
Advocate General for Scotland <sup>c</sup>	98,307

<sup>a</sup> The Lord Speaker took office on 4 July 2006; the *Constitutional Reform Act 2005* no longer required the Lord Chancellor to fulfil this role.

<sup>b</sup> The Lord Chancellor no longer has to sit in the House of Lords. The position was held by Jack Straw, Secretary of State for Justice.

<sup>c</sup> The Office of Advocate General for Scotland was created by the *Scotland Act 1998*: the Lord Advocate and the Solicitor General for Scotland became Ministers in the Scottish Executive. The Advocate General for Scotland sits in the House of Lords.

**Table 9: Changes to Ministerial Salaries (£)**

Office	Combined Ministerial and Parliamentary salaries under previous administration	Combined Ministerial and Parliamentary salaries under current Government	Annual pay cut
<b>Ministers in the House of Commons</b>			
Prime Minister	150,000	142,500	7,500
Cabinet Minister	141,647	134,565	7,082
Minister of State	103,937	98,740	5,197
Parliamentary Under-Secretary of State	94,142	89,435	4,707
<b>Ministers in the House of Lords</b>			
Cabinet Minister	106,356	101,038	5,318
Minister of State	83,043	78,891	4,152
Parliamentary Under-Secretary of State	72,326	68,710	3,616

## The National Assembly for Wales

There has, since 2005, been a link between salaries in the devolved legislatures and those in the House of Commons, and in turn between the House of Commons and the senior civil service. As such, there was a consequent link between salaries in all the devolved legislatures and those in the senior civil service. (Earle 2009b)

However, the Welsh broke that link in 2009 (National Assembly for Wales 2009, Earle 2009b). Table 10 below provides details of the salaries for the current financial year of Members, Ministers and the principal officeholders in the National Assembly for Wales.

**Table 10: [Members', Ministers' and Officeholders' Salary Levels 2010-11 \(£\)](#):**

	<b>Additional salary entitlement<sup>a</sup></b>	<b>Full salary entitlement</b>
Assembly Member	N/A	53,852
Assembly Member who is also MP/MEP <sup>b</sup>	17,951	-
First Minister	80,871	134,723
Welsh Minister Presiding Officer / Leader of largest party not in Cabinet	41,950	95,802
Deputy Presiding Officer, Deputy Minister, Government Chief Whip	26,386	80,238
Opposition Chief Whip, Leader of Opposition parties other than the largest, Assembly Commissioners, Subject/Scrutiny Committee Chair, Audit Committee & Finance Committee Chair	12,168	66,020
Other Committee Chair	8,112	61,964

<sup>a</sup> in addition to AM salary

<sup>b</sup> according to *The National Assembly for Wales (Assembly Members and Officers) Salaries & Allowances Determination 2009* 'Assembly Members who are also Members of Parliament or Members of the European Parliament will have their Assembly salary reduced, in accordance with section 21 of the *Government of Wales Act 2006*, by an amount equal to two thirds of the basic salary which that Assembly Member would otherwise be entitled to receive'.

Source: National Assembly for Wales (<http://www.assemblywales.org/memhome/mem-allow-pay-pensions/mem-pay-historical.htm>)

## The Northern Ireland Assembly

Following the appointment of an Executive after the election in March 2007, Ministers receive such salaries as determined either by the Assembly or by the Secretary of State for Northern Ireland. The figures given in Table 11, below, set out the details of that determination, which have remained unchanged since 2007. The uprating of salaries follows recommendations of the SSRB, which in December 2008 recommended a downgrading of the pay of Members of the Legislative Assembly (MLAs). This recommendation was based on the level of constituents per MLA, such that the SSRB recommended that MLAs should receive 75% of an MP's salary, rather than the current 82% (Senior Salaries Review Body 2008). However, there are currently no plans to increase MLA pay until after the next Assembly elections. In June 2010 the Assembly Commission published a Report which examined Financial Support and Pensions for MLAs and which provides information on the proposed independent statutory body that will make decisions on financial support for members. (Northern Ireland Assembly Commission 2010) It also contains information on the lack of a pay increase since 2007<sup>2</sup>.

**Table 11: Members', Ministers' and Officeholders' Salary Levels for 2010-11 (£)**

	<b>Additional salary entitlement</b>	<b>Full salary entitlement</b>
Member of the Legislative Assembly	N/A	43,101
First Minister	71,434	114,535
Deputy First Minister	71,434	114,535
Minister	37,801	80,902
Junior Minister	19,609	62,710
Speaker	37,801	80,902
Deputy Speaker	8,500	51,601
Committee Chair	11,331	54,432
Deputy Chair	5,667	48,768
Member of the Assembly Commission	11,331	54,432

<sup>2</sup> para 2.9, p 8.

## The European Parliament

Previously under the European Parliament (Pay and Pensions) Act 1979 the salary of British Members of the European Parliament (MEPs) was [linked to that of United Kingdom MPs](#). This gave MEPs the same salary as MPs: £6,738 per month. MEPs who are also MPs receive an additional one third of this rate. Allowances are governed by the European Parliament.

Following the 2009 European Parliament election, the link between MEP and MP salaries in the home countries of MEPs has been discontinued for new MEPs. It has been replaced by an agreed statutory regime. The move to a single statute was designed to end pay disparities among MEPs from different countries.

Under the single Statute for Members which has been in force since July 2009, MEPs all receive the same salary. The monthly pre-tax salary of MEPs under the single statute is, in 2010, €7 807.12. The salary is paid from Parliament's budget and is subject to an EU tax, after which the salary is € 6 083.91. Member States can also subject the salary to national taxes. The basic salary is set at 38.5% of the basic salary of a judge at the European Court of Justice.

Under the same statute, former Members will be entitled to an old-age pension from the age of 63. The pension will be 3.5% of the salary for each full year's exercise of a mandate but not more than 70% in total. The cost of these pensions will be met from the European Parliament budget. An additional pension scheme, introduced for MEPs in 1989, has been closed to new members from July and is being phased out.

A [general expenditure allowance](#) is available to MEPs. (European Parliament 2009) This flat-rate allowance is intended to cover expenditure such as office rent and management costs, telephone and postal charges, computers and telephones. The allowance is halved for Members who, without due justification, do not attend half the number of plenary sittings in one parliamentary year (September to August). In 2010, the allowance is €4,202 per month.

For travel expenses, MEPs are refunded the actual cost of their travel tickets for attending such meetings on presentation of receipts, up to a maximum of a business class air fare, a first class rail fare or €0.49 per km for car journey, plus fixed allowances based on the distance and duration of the journey to cover the other costs of travelling (such as motorway tolls, excess baggage charges or reservation fees, for example).

MEPs can also be refunded up to €4,148 per year for other travel outside their own Member State undertaken as part of their work, and be reimbursed for up to 24 return journeys within their own Member State. The pre-June 2009 system of a flat-rate travel allowance for journeys to Brussels and Strasbourg (and other EU destinations) has been abolished.

The European Parliament pays a flat rate of €298 for each day of attendance at official meetings of the Parliament bodies on which the Member serves that are held within the European Community. This covers accommodation, meals and all other expenses involved in such attendance. During plenary sessions, Parliament reduces this amount by one half for Members who have not taken part in one half of the roll-call votes held on the Tuesdays, Wednesdays and Thursdays of part-sessions held in Strasbourg and on the second day of part-sessions held in Brussels. The Parliament pays €149 per day, plus accommodation and breakfast expenses, for attendance at meetings held outside the European Community.

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## RELATED BRIEFINGS

[Parliamentary Pay and Expenses](#) (2009)

[Parliamentary Pay and Expenses 2007-08 and Pay and Expense Rates 2008-09](#) (2009)

[Parliamentary Allowances and Pay](#) (2007)

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[Parliamentary Pay and Allowances \(2004/2005\)](#) (2004)

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