

Compensation of Political Work in the United Kingdom

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Organisation and Distribution of Political Functions in the UK

The UK has long been treated as the prime example of a majoritarian, power-concentrating system of government.¹ However, since the 1990s the UK has moved away from a centralised state, creating sub-state parliaments and assemblies in Scotland, Wales and Northern Ireland. This ‘devolution’ agenda has also been extended to city regions within England, which have been given greater powers under directly elected mayors, beginning with the London Mayoralty in 2000. Consequently, the United Kingdom now possesses a much greater range of elected political offices than in the past. As this chapter will outline, the creation of these new institutions has necessitated decisions about the remuneration of these new office holders.

These discussions have interlocked with debates on a UK level initiated by a major scandal in 2009 concerning the use of expenses by Members of Parliament (MPs). The ‘Westminster expenses scandal’ led to an extensive modernisation of the system for setting MPs pay and allowances, including the creation of a new independent regulatory body in charge of the latter. In some respects, therefore, the contemporary system for compensation of political work in the UK unusually robust by international standards. Interestingly, however, and contrary to the findings of some comparative studies², stronger regulation has generally led to increases or no change in overall compensation for political work rather than decreases.

At the state level, the UK public elects 650 Members of Parliament (MPs) using the First Past the Post System. Like the upper house, the House of Lords³, it meets in the Palace of Westminster. Officially, the full name of the house is ‘the Honourable the Commons of the United Kingdom of Great Britain and Northern Ireland in Parliament assembled’, which

¹ Lijphart, Arend. *Patterns of democracy: Government forms and performance in thirty-six countries*. Yale University Press, 2012..

² Mause, Karsten. "Self-serving legislators? An analysis of the salary-setting institutions of 27 EU parliaments." *Constitutional Political Economy* 25.2 (2014): 154-176.

³ Due to space restrictions and the scope of this volume dealing with *elected* representatives, the House of Lords will not be discussed in detail. Lords are not elected and do not receive a salary, though may claim a flat rate attendance allowance of £150 or £300 for each sitting day they attend the House. The current scheme was introduced in 2010. See ‘Members of the Lords: allowances’, Parliament.uk. Accessed 16/07/18 at <https://www.parliament.uk/about/mps-and-lords/about-lords/lords-allowances/>

already points to the much more complex structure than the image of the UK as a majoritarian or Westminster democracy tends to imply.

The Scottish parliament was created in 1999 and sits in Edinburgh. The Scotland Act 1998 establishing it listed competences that would be retained at Westminster with all else devolved. These retained competences included the constitution; foreign policy; defence; immigration; employment; nuclear energy, oil and gas; trade and industry; benefits and social security; broadcasting; consumer rights; data protection. In its early years, the funding of devolved services was primarily through a block grant from the Treasury in London. Since its establishment, the Scottish parliament has gained competences and greater financial autonomy with key tax and welfare benefits and social security responsibilities being devolved.⁴

The Welsh Assembly was created by the Government of Wales Act 1998, which followed a referendum in 1997. It sits in Cardiff and had, initially, no powers to initiate primary legislation until limited law-making powers were granted by the Government of Wales Act 2006. Its primary law-making powers were further enhanced following a Yes vote in the referendum on 3 March 2011, making it possible for it to legislate in devolved areas without having to consult the UK parliament. The Northern Ireland Assembly, the devolved legislature of Northern Ireland, was created under the 1998 Good Friday Agreement, with the first elections having taken place in 1998. It sits at Parliament Buildings at Stormont in Belfast and has power to legislate in a wide range of areas that are not explicitly reserved to the UK Parliament. The assembly is currently inactive after the assembly collapsed in January 2017 after the late Martin McGuinness' resignation.⁵

These developments, which have fundamentally transformed the UK state structure, highlight the asymmetrical nature of UK devolution with different sets of powers being successively granted to Scotland, Wales and Northern Ireland in different sets of agreements. While all devolved regions enjoy powers in agriculture, education, environment and health, Scotland enjoys more wide-ranging competences such as limited revenue raising powers, including basic rate of tax and landfill tax as well as the ability to change or top up benefits

⁴ 'Devolution settlement: Scotland'. *Gov.uk*. Accessed 16/07/18 at <https://www.gov.uk/guidance/devolution-settlement-scotland>

⁵ Before the creation of the Northern Irish Assembly, the Parliament of Northern Ireland was the Home Rule legislature of Northern Ireland, created under the Government of Ireland Act 1920. It sat until March 1972, when it was suspended with the introduction of Direct Rule and abolished under the Northern Ireland Constitution Act 1973.

such as Universal Credit and Child Benefit⁶. The most striking feature of the UK system's asymmetry is, however, the fact that the English regions do not have devolved legislatures like the other components of the state but are governed by Westminster. The future prospects of a devolved English Parliament have been raised in relation to the so-called 'West Lothian Question'. This refers to the anomaly of all members of the House of Commons, including those from devolved parts of the state, having voting rights on all domestic matters for England while no MP is able to vote on matters devolved to Scotland, Wales and Northern. The controversy remains contentious. In October 2015, Parliament approved changes which authorize the Speaker of the Commons to certify whether a proposed piece of legislation, or some part of it, applies only to England (or England and Wales) within devolved competence.⁷ If a Bill applies only to England, then only MPs representing English constituencies would serve on the committee. A year later, the Government announced a technical review of these procedures⁸ which resulted in a report published the following March. This report concluded that the procedures would not change but would continue to be under review.⁹

In face of the UK's fundamentally asymmetrical state structure, this chapter will discuss Westminster, English local government, Wales, Scotland and Northern Ireland separately, each covering information on political pay, office-holders' expenses and pension arrangements. Each of these latter three sections will also refer to the situation on the local level. The complexity of the UK has led to different solutions for resolving the issue of office-holders salaries, expenses and pensions are regulated. The chapter will thus conclude with a summary of differences as well as common trends.

Compensation for Elected Representatives in the United Kingdom

The debate on Westminster salaries can be located in the broader context of political professionalization in the UK. Over the course of the twentieth century, British parliamentary politics transitioned from a part-time activity primarily conducted by those with independent sources of finance to a full-time profession conducted by 'career politicians'.¹⁰ Debates on whether MPs should receive a salary, occurred first during the nineteenth century with the

⁶ 'A guide to devolution in the UK'. *BBC*. Sep 18, 2016. Accessed 16/07/18 at <https://www.bbc.co.uk/news/uk-politics-35559447>

⁷ HC Deb 22 October 2015 cc1159-1255

⁸ CWS219, 26 October 2016

⁹ Leader of the House of Commons, *Technical Review of the Standing Orders Related to English Votes for English Laws and the Procedures they Introduced*, March 2017, Cm 9430. Accessed 16/07/18 at

<https://researchbriefings.parliament.uk/ResearchBriefing/Summary/CBP-7339>

¹⁰ Peter Riddell, *Honest Opportunism: the rise of the career politician*, London, Hamish Hamilton, 1993.

Chartists being amongst the most prominent advocates of salaries for MPs to ensure those without independent income could be represented in Parliament.¹¹ The Radical Liberal MP Sydney Baxton produced a book that ran to 11 editions which included a discussion of the issue.¹² Salaries were paid to MPs for the first time under the Parliament Act 1911. It was the set at £400 per year, and remained at that level until 1937, though temporarily reduced between 1931 and 1935 during the Depression.¹³ Until 1971 there was no formal process for revisiting the issue of pay, with only periodic ad-hoc reviews carried out. Subsequent jumps in salary under this ad-hoc system took pay levels up to £1,000 in 1946, £1,750 in 1957, and £3,250 in 1964.¹⁴ This *ad hoc* system continued until 1971 when the Top Salaries Review Body (TSRB), later renamed the Senior Salaries Review Body (SSRB), was given the task of setting salaries of MPs, in addition to other senior public servants. However, recommendations by the TSRB/SSRB still needed to be approved by a resolution of the House – meaning that MPs were required to vote on their own pay.

The professionalisation of pay setting also raised questions about outside interests and whether an MP should be full-time state employees or continue to work in other paid employment. On the one hand, the long tradition of MPs earning their living in other professions frustrated attempts to increase their public salaries. As the Leader of the House of Commons between 1979 and 1981, Norman St John Stevas argued in 1979:

The tradition in this country is of unpaid and voluntary public service... That tradition, although it is not sustainable in the conditions of today, dies hard. It influences public attitudes. It seems to me that the contemporary manifestation of it is that Members should be paid, but not paid adequately. That is not a principle of great logical merit, but it is a principle of powerful effect.¹⁵

On the other hand, raising MPs salaries had the effect of making their outside earnings more politically contentious. The Report of the Committee on the Remuneration of Ministers

¹¹ Malcolm Chase, *Chartism: a new history*, Manchester: Manchester University Press, 2007.

¹² Sydney Baxton, *A Handbook to Political Questions of the Day and Arguments on Either Side*, J. Murray, 1880, Digitised version Harvard.

¹³ Richard Kelly, *Members' pay and allowances – a brief history*, House of Commons Library, Standard Note, SN/PC/05075, p.11.

¹⁴ House of Commons Information Office. *Members' pay, pensions and allowances*. FS No. M5 Ed 3.15. Accessed 16/07/18 at <https://www.parliament.uk/documents/commons-information-office/m05.pdf>; IPSA, *Reviewing MPs' Pay and Pensions: A Consultation – Summary Paper*. Oct 2012. Accessed 16/07/18 at <http://www.theipsa.org.uk/media/1597/2012-oct-mps-pay-and-pensions-consultation-summary-paper.pdf>

¹⁵ Seaward, Paul. "Sleaze, old corruption and parliamentary reform: An historical perspective on the current crisis." *The Political Quarterly* 81.1 (2010): 39-48.

and Members of Parliament in 1964 had concluded that Parliament benefited from having MPs who earned income from outside Parliament but that an increase in MPs' salaries was required for MPs without such sources of income.¹⁶ However, in 1974, a register of Members' interest was finally established in response to the Poulson scandal.¹⁷ John Poulson was an architect imprisoned for bribing public officials and had very close business links with politicians including a senior Conservative MP. Yet the register required only that MPs declare outside interests, not the amounts of money made from these. In 1976, the register showed that 29 per cent of MPs were company directors and 21 per cent were employed in some other capacity.¹⁸ Further research revealed that 384 MPs had at least one commercial interest with 522 directorships held by MPs and 452 consultancies.¹⁹

In the 1990s, the idea that Parliament benefited from these external links was again fundamentally challenged by the 'Cash for Questions' affair when several Conservative MPs were accused by the *Guardian* newspaper of being paid for asking Parliamentary Questions. This led to Prime Minister John Major establishing the Committee on Standards in Public Life, under Lord Nolan. A Parliamentary Commissioner for Standards was also created. The Nolan Committee produced its first report in 1995 setting out seven principles of public life. Nonetheless, it once more asserted that Parliament would be 'less effective' if all MPs were full time.²⁰ Indeed, even in the most recent instance in which the Committee considered the issue in 2018, it has not recommend that outside interests be prohibited entirely.²¹

In addition to these attempts to reform to the conflict of interest rules, to resolve the contentious issue of MPs public salaries, attempts to index pay in line with external measures were made in the 1980s and 1990s.²² However, these did not manage to ensure that MPs pay would keep pace with the growth in average UK earnings.²³ Likewise, recommendations from the Senior Salaries Review Body (SSRB) were sometimes rejected (in whole or in part) by the

¹⁶ *Report of the Committee on the Remuneration of Ministers and Members of Parliament*, Chairman: Sir G Lawrence, 1964, London, HMSO, Cmnd 2516.

¹⁷ Doig, Alan. *Corruption and Misconduct in contemporary British politics*. Harmondsworth, Penguin. 1984.

¹⁸ Doig, 1984. Ibid.

¹⁹ M. Hollingsworth, *MPs for hire: the secret world of political lobbying*, London, Bloomsbury, 1991.

²⁰ First report of the Committee on Standards in Public Life, HMSO, Cd. 2850-1, p.3.

²¹ Committee on Standards in Public Life, *MPs' Outside Interests* (19th Report). Jul 2018. Accessed 16/07/18 at <https://www.gov.uk/government/publications/mps-outside-interests>

²² Kelly, Richard. *Members' pay and allowances - a brief history*. House of Commons Library. SN/PC/05075. May, 2009. Accessed 16/07/18 at <http://researchbriefings.parliament.uk/ResearchBriefing/Summary/SN05075>

²³ *IPSA's First Parliament 2010-2015: Regulation, support, and remuneration*. May 2016. Accessed 16/07/18 at <https://www.theipsa.org.uk/media/1503/ipsas-first-parliament-2010-2015.pdf>. Appendix C, Charts 7/8.

government and parliament.²⁴ As a result, MPs salaries lagged behind comparable salaries both in the private sector and (at times) the senior levels of government. Nonetheless, by 1997 MPs' basic salary had reached £43,860, rising to £61,181 in 2007.²⁵

This continuing dysfunction was addressed in a comprehensive review of the system conducted by Sir John Baker in 2008. The Baker report recommended that MPs should no longer vote on pay, with increases in line with the Public Sector Average Earnings Index simply conveyed by the SSRB to the Speaker for implementation without a vote.²⁶ The government agreed to the recommendations on automatic implementation, and the House passed a resolution establishing this in the same year.²⁷ However, the recommendations on the method of uprating and one-off pay increases were rejected.²⁸ The new mechanism was also overridden in 2011, when the government proposed (and parliament agreed) to freeze salaries for two years (at £65,738) in the context of broader public sector cuts.²⁹ Baker also recommended taking decisions on pay out of MPs hands through the creation of an independent statutory body.³⁰

This last recommendation was finally implemented in 2010, when the Constitutional Reform and Governance Act gave salary setting powers to the Independent Parliamentary Standards Authority (IPSA) – a body established in 2009 to reform the expenses system (see next section). In 2013, based on an analysis of MP pay to comparable roles by the IPSA justified a controversial one-off 10 per cent pay increase in 2015 to bring MP pay in line with comparable salaries and taking pay to £74,000 a year.³¹ Under the existing pensions arrangements, this also led to a 'bonus' to the existing final salary pensions of all MPs in the Commons before the 2015 general election who were re-elected in 2015, which meant not only their salaries but also their pensions went up 10 per cent. IPSA describes the 2013 reform as creating 'a modern, professional package for MPs' remuneration'.³² Subsequently, it has

²⁴ Kelly, Richard. *Review of parliamentary pay and allowances 2008*. SN/PC/04585. Jan 2017. Accessed 16/07/18 at <http://researchbriefings.files.parliament.uk/documents/SN04585/SN04585.pdf>

²⁵ 'MPs' Pay and Pensions'. IPSA. www.theipsa.org.uk. Accessed 16/07/18 at <http://www.theipsa.org.uk/mp-costs/mps-pay-and-pensions/>

²⁶ Baker, Sir John. *Review of Parliamentary Pay and Pensions*. Cm 7416. Jun 2008. Pp. 12-15

²⁷ Kelly, Richard. *Members' pay and the independent review process*. RP09-29. Mar 2009. Accessed 16/07/18 at <http://researchbriefings.parliament.uk/ResearchBriefing/Summary/RP09-29>

²⁸ Kelly, Richard. *Members' pay and expenses - current rates and a review of developments since 2009*. RP12-29. May 2012. Accessed 16/07/18 at <http://researchbriefings.parliament.uk/ResearchBriefing/Summary/RP12-29>

²⁹ HC Deb 21 March 2011 cc807-824

³⁰ Baker, Sir John. *Review of Parliamentary Pay and Pensions*. Cm 7416. Jun 2008. p. 9

³¹ IPSA. *MPs Pay and Pensions Final Report*. Dec 2013. Accessed 16/07/18 at <http://www.theipsa.org.uk/media/1417/ipsa-final-report-pay-and-pensions-with-cover-dec-2013.pdf>

³² 'MPs' Pay and Pensions'. IPSA. www.theipsa.org.uk. Accessed 16/07/18 at <http://www.theipsa.org.uk/mp-costs/mps-pay-and-pensions/>

implemented another indexation scheme to prevent an erosion of this higher salary level over time. Initially, this was linked to increases in average earnings in the country as a whole – or, as IPSA put it, the pay of MPs’ constituents.³³ However, this was later changed to link MPs pay to increases in public sector earnings. Two reasons were given for this. Firstly, after 2010 the government implemented an austerity program in response to budget deficits caused by the Global Financial Crisis. This decreased public sector earnings relative to the private sector, meaning that MPs salaries would have increased faster than other public servants. In addition, during IPSA’s consultations on pay it was found that comparison with civil servants and public service employees were the frames most frequently employed by members of the public.³⁴ Currently, therefore, annual changes in MPs’ pay are linked to changes in average earnings in the public sector based on Office for National Statistics (ONS) figures.

Table 1. Annual MP Salary 2010-2018

Date	Annual MP salary	Mechanism
April 2010	£65,738	Normal Uprating
April 2011	£65,738	Pay Freeze
April 2012	£65,738	
April 2013	£66,396	Normal Uprating
April 2014	£67,060	
May 2015	£74,000	One-Off Increase
April 2016	£74,962	Normal Uprating
April 2017	£76,011	
April 2018	£77,379	

Source: <http://www.theipsa.org.uk/mp-costs/mps-pay-and-pensions/>, accessed June 14 2018

Chairs of Parliamentary Committees

In addition to their base salaries, members who hold certain offices receive additional salaries. Since 2016, responsibility for chairs of parliamentary committees has passed to IPSA. In 2018/19, MPs who chair Select Committees – which scrutinise government departments – or who are members of the Panel of Chairs – a group of MPs appointed by the Speaker to chair the committees which scrutinise legislation, as well as other general committees – both

³³ IPSA. *MPs’ Pay in the 2015 Parliament - Final Report*. Jul 2016. Accessed 16/07/18 at <http://www.theipsa.org.uk/media/1272/mps-pay-in-the-2015-parliament-final-report.pdf>

³⁴ IPSA. *MPs Pay and Pensions Final Report*. Dec 2013. Accessed 16/07/18 at <http://www.theipsa.org.uk/media/1417/ipsa-final-report-pay-and-pensions-with-cover-dec-2013.pdf>

received an additional salary of £15,509 per year.³⁵ Pay for Select Committee chairs was established first in 2003/4, with a salary amount of salary £12,500 as recommended by the Senior Salaries Review Body (SSRB).³⁶ Pay for panels chairs was established soon afterwards in 2005, with a differentiated rate of pay based on seniority.³⁷ In addition to the Select Committee Chairs there are currently 41 members of the Panel of Chairs. Both positions were subject to an uprating system.

Table 2. Additional Salaries of Select Committee Chairs in the House of Commons

April 2013	£14,728
April 2014	£14,879
April 2015	£15,025
June 2016	£15,025
April 2017	£15,235
April 2018	£15,509

Source: <http://www.theipsa.org.uk/mp-costs/mps-pay-and-pensions/>, accessed June 14 2018

Unlike Members base pay, the transfer of responsibility for committee chair salaries to IPSA did not result in a substantial increase in pay. However IPSA did make changes reflecting a move away from seniority-based logic for Committee pay by eliminating differentiation among Panel of Chairs members according to length of service. Since 2016 all Members of the Panel of Chairs receive the maximum increment, equal to that of a Select Committee Chair. Until 2015, a member who served on the panel for less than a year received only £3000, a member who served 1-3 years received £8,415 and one between 4-5 years £11,419.³⁸ While remuneration for the most senior members increased little from 2015 to 2016, therefore, all less experienced members in that role received a significant increase.

Again, these increases can be seen in the context of the increasing professionalisation of committee functions. Research has shown significant growth in media coverage of the work of committees, especially the Culture, Media and Sport, Home Affairs, Public Accounts and Treasury select committees.³⁹ As such, in the words of one observer, '[t]here is no doubt that the authority and legitimacy of Select Committees have grown in consequence, to the point

³⁵ 'MPs' Pay and Pensions'. IPSA. www.theipsa.org.uk. Accessed 16/07/18 at <http://www.theipsa.org.uk/mp-costs/mps-pay-and-pensions/>

³⁶ Kelly, Richard. *Select Committees - pay for chairs*. Commons Library. SN02725. Feb 2014. Accessed 16/07/18 at <http://researchbriefings.parliament.uk/ResearchBriefing/Summary/SN02725>

³⁷ Kelly, Richard. *Public bill and general committees: pay for chairs*. Commons Library. SN03718. Feb 2014. Accessed 16/07/18 at <http://researchbriefings.parliament.uk/ResearchBriefing/Summary/SN03718>

³⁸ 'MPs' Pay and Pensions'. IPSA. www.theipsa.org.uk. Accessed 16/07/18 at <http://www.theipsa.org.uk/mp-costs/mps-pay-and-pensions/>

³⁹ Dunleavy, Patrick. Evidence to the Constitutional Reform Committee. Apr 18, 2013, Accessed 16/07/18 at <http://www.publications.parliament.uk/pa/cm201213/cmselect/cmpolcon/uc1062-iii/uc106201.htm>

where some ambitious MPs now see the chair of one of the more influential Committees as an attractive career goal, as an alternative to ministerial office.⁴⁰

Government Ministers

While all ministers in the UK who are Members of the House of Commons receive parliamentary salaries, they also receive extra pay for taking on the additional responsibilities of government. Ministers in the Lords do not receive their normal allowance, but instead only their salary as a Minister.⁴¹ Ministerial salaries continue to be set through a more traditional (and political) process, rather than the modernised one represented by IPSA. Pay levels are set by an Order in Council – a special type of statutory instrument – with an uprating mechanism only enshrined in legislation as late as 1997.⁴² Moreover, the government has frequently ignored SSRB advice on ministers' salaries.⁴³

Unlike the more professionalised process for MPs and Committee Chairs, therefore, this has allowed pay to be frozen and reduced for Ministers in recent years. Prior to 2010, then-Prime Minister Gordon Brown's was entitled to a salary of up to £197,689, while his ministers earned £141,647. When the new Cabinet under David Cameron met in May 2010, under the shadow of a large government fiscal deficit, the government agreed to a cut of five per cent in salaries and a freeze thereafter. Consequently, since then, UK ministers have earned less than their predecessors. The current government under Theresa May has likewise committed to freezing the pay of cabinet ministers until 2020.⁴⁴

Table 3. Salaries for Government Positions in 2017

Position	Entitled Salary (£) 2017	Claimed Salary (£) 2017
Prime Minister	77,896	75,440
• Chancellor of the Exchequer • First Secretary of State and Minister for the Cabinet Office • Lord Chancellor • Secretary of State	69,844	67,505
Chief Secretary to the Treasury • Deputy Chief Whip • Lord President of the Council and Leader	33,490	31,680

⁴⁰ Le Rou, Nat. 'The Wright reforms changed Parliament, but there remains scope for further reform', *Democratic Audit*. Feb 25, 2014. Accessed 16/07/18 at <http://www.democraticaudit.com/2014/02/25/committees-scotland-and-the-right-of-recall-the-potential-for-parliamentary-reform/>

⁴¹ House of Lords. *Guide to Financial Support for Members*. May, 2018. Accessed 16/07/18 at <https://www.parliament.uk/documents/lords-finance-office/members-guide-may-2018.pdf>

⁴² *Ministerial and other Salaries Act 1997*, s. 1A(2)

⁴³ Kelly, Richard. 'Members' pay and expenses and ministerial salaries 2017/18'. Commons Library. CBP-8276. Mar 2019. Accessed 16/07/18 at <https://researchbriefings.parliament.uk/ResearchBriefing/Summary/CBP-8276>

⁴⁴ Kelly, Ibid.

of the House of Commons • Financial Secretary to the Treasury and Paymaster General • Minister of State • Parliamentary Secretary to the Treasury (Chief Whip)		
Economic Secretary • Exchequer Secretary • Parliamentary Secretary • Parliamentary Under Secretary of State	24,048	22,375

Source: *Salaries of Members of Her Majesty's Government from 9th June 2017*. Accessed 16/07/18 at https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/629500/Salaries_of_Members_of_Her_Majesty_s_Government_from_1st_April_2017.pdf

MPs Expenses and Pensions

In addition to their salaries, MPs (but not Lords) are entitled to receive a wide range of expenses for costs necessarily incurred as part of their job.⁴⁵ These are set out in the *Scheme of MPs Business Costs and Expenses* ('the Scheme') prepared by the Independent Parliamentary Standards Authority (IPSA) and updated yearly.⁴⁶ Expenses available the scheme fall into six categories; residential accommodation and the London Area Living Payment (LALP), office costs, staffing costs, travel and subsistence allowances, winding-up costs, and other miscellaneous assistance, including help with disability and security costs.

Some of these expenses are subject to capped budgets. Accommodation, for example, must be spent on renting property and was subject to a cap of £22,850 in 2018-19. For London-based MPs, who do not receive this allowance, the LALP was £3,940 (with an additional £1,395 for outer London due to travel costs). Budgets for offices, staffing and winding up costs are also subject to caps (see Table 10).⁴⁷ Other expenses are uncapped but subject to strict eligibility criteria, such as the travel and subsistence allowance, or paid from a special fund. Security costs are an example of the latter, and have in fact risen sharply from £160,000 in 2015/16 to £2.5million in 2016/17 after the murder of an MP during the 2016 EU Referendum Campaign.⁴⁸

The current scheme dates from 2009, when it was significantly overhauled as a result of the Westminster expenses scandal referred to earlier. It involved the widespread misuse of

⁴⁵ Lords are entitled to some limited travel expenses, in addition to their per-diem rate. See 'Financial Support for Members'. *Parliament.co.uk*. Accessed 16/07/18 at <https://www.parliament.uk/business/lords/whos-in-the-house-of-lords/house-of-lords-expenses/>

⁴⁶ IPSA, *The Scheme of Business Costs and Expenses 2017-18*. HC 1024. Mar, 2017. Accessed 16/07/18 at <https://www.theipsa.org.uk/media/1608/9-mps-scheme-of-business-costs-and-expenses-2017-18.pdf>

⁴⁷ See also IPSA. *A quick guide to the Scheme of MPs' Business Costs and Expenses (2018-19)*. Apr 2018. Accessed 16/07/18 at <http://www.theipsa.org.uk/media/184777/quick-guide-to-the-scheme-2018-19.pdf>.

⁴⁸ Tapsfield, James and Kate Fegusson. 'How Expensive is Your MP?'. *Mail Online*. Nov 16, 2017. Accessed 16/07/18 at <http://www.dailymail.co.uk/news/article-5088673/MPs-travel-accommodation-spend-rose-13m-year.html>

a previously available allowance called the Additional Costs Allowance (ACA), intended to support MPs with the costs of maintain a second residence. After the passage of the Freedom of Information Act (FOIA) in 2000, it became clear that details of the expenses system would be accessible under the act. In 2004, with the act about to take effect, the Commons began by publishing totals for MP's total ACA claims.⁴⁹ The first FOI requests related to expenses went much further, demanding receipts submitted by individual MPs. After these requests were initially rejected by the Commons authorities, the Information Commissioner – responsible for adjudicating FOIA disputes – opened an investigation spanning three years and resulted in a ruling that MPs full receipts should be published.⁵⁰

Before this could occur, four years of receipts for all MPs collected as part of the ongoing FOIA process were leaked to the *Daily Telegraph* newspaper. The paper began to publish this information from the 8th of May 2009 in instalments, initiating a month of intense media scrutiny of almost every MP in parliament.⁵¹ The receipts revealed a number of abuses and dubious claims, the most widespread of which related to the creative use of the ACA pay mortgage interest on multiple property investments under the ‘second home’ provisions of the system. In addition to outright fraudulent claims, a number of MPs came under scrutiny for extravagant expenses which – though technically legal and within the rules in place at the time – were widely seen as gross violations of the alleged basis of the system in providing MPs with reimbursement for expenses occurring “wholly, exclusively and necessarily in the performance of the duties”. Conservative MP Sir Peter Viggers’ ‘duck island’, and his colleague Douglas Hogg’s £2,200 bill for ‘moat cleaning’ in particular became the symbols of a detached and entitled political class who had used public money on frivolous luxuries.⁵²

Prior to the expenses scandal, parliamentary expenses in the United Kingdom were regulated by internal House of Commons rules (the “Green Book”) – rules which lacked legal status.⁵³ The system was administered by an internal Department of Resources – also referred to as the ‘Fees Office’ – under the jurisdiction of the Commons Commission, the House’s

⁴⁹ ‘Members' allowance and travel breakdown’. *Parliament.co.uk*. Accessed 16/07/18 at

<https://www.parliament.uk/mps-lords-and-offices/members-allowances/house-of-commons/house-of-commons-scheme-guides/hocallowances07/members-allowance-and-travel-breakdown/>

⁵⁰ Worthy, Benjamin, and Gabrielle Bourke. *The Sword and the Shield: The use of FOI by Parliamentarians and the Impact of FOI on Parliament*. Technical Report. Constitution Unit, UCL. 2011. pp. 16-18

⁵¹ For a full account, see Winnett, Robert, and Gordon Rayner. *No expenses spared*. Random House, 2011.

⁵² Bell, Martin. *A very British revolution: The expenses scandal and how to save our democracy*. Icon Books Ltd, 2009. p. 7-27.

⁵³ Subsequently, the *Parliamentary Standards Act 2009* s. 10(1) made it an offense to provide false or misleading statements regarding expenses claims. However, the scandal created such public outrage that MPs were nonetheless prosecuted for false accounting.

internal governing body.⁵⁴ In addition, until 2009, the House of Commons Committee on Standards and Privileges (now the Standards Committee) had the final say on parliamentary misconduct relating to expenses, meaning that MPs essentially regulated themselves. Elizabeth Filkin, the second Parliamentary Commissioner for Standards, investigated senior politicians including Cabinet Ministers⁵⁵ and was accused by supporters of some of those she investigated of being ‘over-zealous’. She decided not to seek a second term given what she viewed as efforts to undermine her.⁵⁶

Following the 2009 scandal, this self-regulatory regime of MP expenses became untenable and reforms were implemented to prevent not only private abuse but also party-political usage of expenses provided to MPs. The scandal triggered widespread anger among the UK public and resulted in a large number of resignations, sackings, de-selections and retirement announcements. Several members or former members of the House of Commons, as well as members of the House of Lords, were prosecuted and sentenced to terms of imprisonment.⁵⁷ Evidence that the scandal had damaged public perceptions of Parliament was provided in annual surveys conducted by the Hansard Society. The Society’s 8th annual report in 2011 reported that satisfaction with Parliament had fallen to a ‘record low’ of 27%, compared with 33% the previous year.⁵⁸

To re-establish trust in the system, control over expenses was transferred to a newly created regulator, the Independent Parliamentary Standards Authority (IPSA). The creation of an independent statutory body to manage the expenses system was originally recommended by the Baker Review into pay (see above), though this was outside the review’s terms of reference.⁵⁹ As Baker recommended, however, IPSA was designed to be the single body with decisional responsibility for all aspects of the expenses regime, with its remit later expanded to cover all aspects of parliamentary compensation - including salaries, as already discussed, and pensions (see below). IPSA’s founding legislation is the *Parliamentary Standards Act 2009*. The Act establishes IPSA as an independent entity separate from the government, and outlines

⁵⁴ Gay, Oonagh. ‘The New Regime: The Role of IPSA’. van Heerde-Hudson, Jennifer (ed.). *The Political Costs of the 2009 British MPs’ Expenses Scandal*. Palgrave-Macmillan. 2014. p. 176

⁵⁵ Glover, Julian. ‘Filkin’s heavyweight victims’. *The Guardian*. Jan 22, 2002. Accessed 16/07/18 at <https://www.theguardian.com/politics/2002/jan/22/houseofcommons.uk2>

⁵⁶ ‘Key extracts from the Filkin letter’. BBC. Dec 4, 2001. Accessed 16/07/18 at http://news.bbc.co.uk/1/hi/uk_politics/1692500.stm

⁵⁷ Graffin, Scott D., et al. ‘Falls from grace and the hazards of high status: The 2009 British MP expense scandal and its impact on parliamentary elites.’ *Administrative Science Quarterly* 58.3 (2013): 313-345.

⁵⁸ *Audit of Political Engagement* 8. Hansard Society. 2011. Accessed 16/07/18 at http://doc.ukdataservice.ac.uk/doc/6872/mrdoc/pdf/6872_ape8-report.pdf

⁵⁹ Baker, 2008. Ibid. p. 2

its functions and composition – including an independent board and chief executive appointed by a special parliamentary committee chaired by the Speaker.⁶⁰ Later revisions to the Act made as part of the *Constitutional Reform and Governance Act 2010* created an independent Compliance Officer sitting within IPSA. The structure of IPSA is therefore twofold; a regulatory and agency which also administers the expenses system, and a tribunal-like body in the form of the Compliance Officer which investigates misuse and reviews decisions on individual cases.

The scope of IPSA's power to regulate parliamentary expenses was deliberately left broad so as to provide the new regulator maximum discretion to reform the system. The scheme which IPSA is charged with administering was thus designed by IPSA itself in the narrow period between its establishment and the 2010 General Election when the new arrangements went into full effect. The only other significant input in advance of the first version of the scheme came from the Committee on Standards in Public Life, an independent division of the Cabinet Office, whose review of the expenses system ran in parallel to the establishment of IPSA.⁶¹

The reforms instituted by IPSA have led to much more precise earmarking regarding how MPs can use the expenses available to them. Under the old system, reflecting the prevailing view that MPs were underpaid, House staff in the Fees Office saw MPs as entitled to use their Additional Costs Allowance (ACA) for a wide range of household items not directly related to work expenses.⁶² Prior to 2008, MPs could also file claims for up to £250 under the ACA without providing a receipt.⁶³ By contrast, IPSA implemented a highly rigorous system of checks and full vouching of all expenses, though it gradually relaxed its initial regime on the advice of the National Audit Office (NAO).⁶⁴ The ACA was abolished, with the new accommodation allowance available only for rent (not mortgage interest) and a limited

⁶⁰ This process has been criticised by, among others, Elizabeth Filkin. See Bell, 2010. Ibid. p. 195

⁶¹ *MPs' Expenses and Allowances: Supporting Parliament, safeguarding the taxpayer (Twelfth Report)* Cm 7724. CSPL. Nov 2009. Accessed 16/07/18 at <https://www.gov.uk/government/publications/twelfth-report-of-the-committee-on-standards-in-public-life-november-2009>

⁶² Press Association. 'Commons releases 'John Lewis list' of MPs' allowances'. *The Guardian*. 13 Mar, 2008. Accessed 16/07/18 at <https://www.theguardian.com/politics/2008/mar/13/houseofcommons>

⁶³ 'Q&A: MP expenses row explained'. BBC. Jun 18. 2009. Accessed 16/07/18 at http://news.bbc.co.uk/1/hi/uk_politics/7840678.stm

⁶⁴ NAO. *Independent Parliamentary Standards Authority: the payment of MPs' expenses*. HC: 1273, 2010-2012. Jul 7, 2011. accessed Accessed 16/07/18 at <https://www.nao.org.uk/report/independent-parliamentary-standards-authority-the-payment-of-mps-expenses/>

range of utilities. Claims for cleaning, gardening, the purchase or maintenance of furniture, home contents insurance, and television services or licences is now prohibited.⁶⁵

IPSA also reformed the MPs pension scheme. The first MPs' pension scheme was introduced in 1964.⁶⁶ This scheme operated on the unusual basis that both benefits and contributions were fixed in money terms.⁶⁷ Pension entitlements received periodic, ad-hoc updates alongside salaries for the next two decades, until the basis of the modern scheme - Parliamentary Contributory Pension Fund (PCPF) - was established in the 1980s. The PCPF was set up under the *Parliamentary and Other Pensions Act 1987*, and provided for a contributory defined benefit pension based on final salary.⁶⁸ The defined benefit scheme based on final salary stayed in place up to 2015, when it was deemed "unsustainable" by IPSA, being too generous and too costly to the taxpayer. The new scheme based pensions on average salaries over the duration of an MP's career rather than final salary, and links pension rises to inflation.⁶⁹

At the same time, the new scheme included a transitional arrangement for MPs within 10 years of retirements in April 2013, to whom the old more generous scheme of 1/40th of final pensionable salary per year of service is still applied, a solution that was criticized in the press, asking for a reform of the defined benefit scheme.⁷⁰ In April 2013, a "resettlement" payment was also introduced as 'interim measure', should MPs lose their seat in an election. This is a lump sum payment, akin to a redundancy payment, modelled on the scheme for Welsh Assembly members. The maximum available is equivalent to six months of MPs' basic annual salary.⁷¹ After the 2015 election, therefore, MPs received resettlements similar to normal redundancy payments. A 'winding-up' grant is also available to allow retiring or defeated MPs after an election to reimburse the costs of Parliamentary work.⁷²

⁶⁵ IPSA. *A quick guide to the Scheme of MPs' Business Costs and Expenses (2018-19)*. Apr 2018. Accessed 16/07/18 at <http://www.theipsa.org.uk/media/184777/quick-guide-to-the-scheme-2018-19.pdf>.

⁶⁶ *Ministerial Salaries and Members' Pensions Act 1965*. See also <http://www.theipsa.org.uk/media/1597/2012-oct-mps-pay-and-pensions-consultation-summary-paper.pdf>, pp. 4-5, accessed April 27 2018.

⁶⁷ *Members' pay, pensions and allowances*. House of Commons Information Office. FS No. M6 Ed. 3.11. May, 2009. Accessed 16/07/18 at <https://www.parliament.uk/documents/commons-information-office/fymp/m05.pdf>

⁶⁸ *Members' pay, pensions and allowances*. House of Commons Information Office. FS No. M5 Ed. 3.15. Jul, 2011. Accessed 16/07/18 at <http://researchbriefings.files.parliament.uk/documents/SN06283/SN06283.pdf>

⁶⁹ Chalabi, Mona. 'MPs' pay rise: the proposal explained'. *The Guardian*. Jul 11, 2013. Accessed 16/07/18 at <https://www.theguardian.com/politics/2013/jul/11/mps-pay-rise-proposal-explained>, accessed April 27 2018..

⁷⁰ Ralfe, John. 'We should all vote for MPs' pensions to be reformed'. *Financial Times*. May 18, 2017. Accessed 16/07/18 at <https://www.ft.com/content/1082473a-3979-11e7-ac89-b01cc67cfeec>

⁷¹ *Reviewing MPs' Pay and Pensions: A Consultation – Summary Paper*. Oct 2012. Accessed 16/07/18 at <http://www.theipsa.org.uk/media/1597/2012-oct-mps-pay-and-pensions-consultation-summary-paper.pdf>

⁷² See also IPSA. *A quick guide to the Scheme of MPs' Business Costs and Expenses (2018-19)*. Apr 2018. Accessed 16/07/18 at <http://www.theipsa.org.uk/media/184777/quick-guide-to-the-scheme-2018-19.pdf>.

In sum, the move from a self-regulatory regime to a regime characterised by strict regulations and independent monitoring was highly significant. In particular, stricter monitoring has made abuse of the rules for individual enrichment extremely difficult. This has undoubtedly increased the burden of compliance for MPs – a point seized upon by IPSA’s critics in parliament.⁷³ However, it should be noted that overall financial support did not become markedly less generous as a result of the reforms. As noted, expenses reform was coupled with a large compensatory pay rise within an overall package explicitly designed to be broadly cost-neutral (IPSA, 2016).

Likewise, while the Additional Costs Allowance (ACA) was abolished, the new accommodation allowance still compensates MPs for the principal cost of maintaining a second home – although the maximum level of accommodation expenditure was set somewhat lower, at £19,900 in 2010/11,⁷⁴ compared to £24,006 in 2008/09, the last year of the unreformed ACA.⁷⁵ Travel expenditure also remained uncapped under the new rules, leading to increases in some particular forms of travel – for example, total expenditure on flights has risen more than 50% to £1m a year in 2016.⁷⁶ Changes in MPs pensions must also be seen in the wider context of declining generosity of schemes across all sectors in the UK due to aging populations and changes in regulation which have dis-incentivised the kind of defined benefit arrangements which MPs have been able to retain.⁷⁷ Outside of personal expenses, MPs have successfully argued that IPSA should substantially *increase* some budgets. Staffing budgets, for example, were originally set at of £109,548 in 2010/11, before being increased to £115,000 for the 2011-12 financial year, and further to £137,200 for non-London Area MPs and £144,000 for London Area MPs by the end of the 2010-2015 parliament – increases of 25.2% and 31.4% respectively from the 2010-11 level.⁷⁸ IPSA also combined and simplified the budgets for office expenditure in order to increase flexibility and reduce administrative burdens. In sum, total expenditure

⁷³ Committee on Members' Expenses. Operation of the Parliamentary Standards Act 2009. HC 1484-I. Dec 12, 2011. Accessed 16/07/18 at <https://www.parliament.uk/business/committees/committees-a-z/commons-select/members-expenses/inquiries/operation-of-the-parliamentary-standards-act-2009/>

⁷⁴ IPSA. *The MPs' Expenses Scheme*. HC 501. Mar 29, 2018. Accessed 16/07/18 at <http://www.theipsa.org.uk/media/1257/1-mps-scheme-of-business-costs-and-expenses-first-edition-may-2010.pdf>

⁷⁵ 'Members' allowances expenditure April 2009 - March 2010'. *Parliament.uk*. Accessed 16/07/18 at <https://www.parliament.uk/documents/foi/Allowances/Allowance-expenditure-table-09-10.pdf>

⁷⁶ Williams, Martin. 'After the duck house - where MPs' expenses went next'. *The Guardian*. May 17, 2016. Accessed 16/07/18 at <https://www.theguardian.com/politics/2016/may/17/mps-expenses-martin-williams-parliament-ltd>

⁷⁷ Ralfe, John. 'We should all vote for MPs' pensions to be reformed'. *Financial Times*. May 18, 2017. Accessed 16/07/18 at <https://www.ft.com/content/1082473a-3979-11e7-ac89-b01cc67cfeec>

⁷⁸ IPSA's First Parliament 2010-2015: Regulation, support, and remuneration. May 2016. p. 11. Accessed 16/07/18 at <https://www.theipsa.org.uk/media/1503/ipsas-first-parliament-2010-2015.pdf>.

across all expenses thus began to rise again fairly quickly, though it has remained somewhat lower in real terms.⁷⁹

The compromise struck between stricter regulation and decreases in some personal expenses in return for higher pay and better resourcing for staff, offices and travel reflects IPSA's need to balance responsiveness to public opinion while maintaining a good relationship with parliament. While IPSA is formally independent of parliament, several parliamentary committees have some degree of oversight over its budget and operations.⁸⁰ Moreover, ultimately Parliament always shapes the regulation which applies to its members through establishing (and choosing to maintain) the statutory framework. Consequently, it is not altogether surprising that the new regime offers some benefits as well as costs to MPs. For example, a similar process has been observed in the development of political party regulation – another group which (collectively) determines its own regulation – in which restrictions on spending and private funds are compensated for with increased funding from the state.⁸¹

Local Government in England

Local government in England is primarily structured in two ways. In some localities, a two-tier system operates with responsibilities divided between county councils at the higher level and district councils at the lower level. In other areas, responsibilities are combined into a single 'unitary authority' which exists as the only level of local administration. Such unitary authorities may be either county councils with no district councils, or metropolitan districts based around built-up areas. In addition, each of the 33 London boroughs operate as unitary authorities. However, London also has an additional top layer of government in the form of the Greater London Authority, governed by an elected Mayor and advised by the 25 person London Assembly. More recently, as a result of efforts at decentralisation by the national government in Westminster, England has also acquired a number of other elected mayoralities covering multiple council areas on the London model.

English Local Councils

⁷⁹ Mason, Rowena. 'MPs claiming more expenses now than at height of 2009 scandal'. *The Guardian*. Sept 12, 2014. Accessed 16/07/18 at <https://www.theguardian.com/politics/2014/sep/12/mps-expenses-under-fire>; Arnett, George and James Ball. 'Are UK MPs really claiming more expenses now than before the scandal?' *The Guardian*. 12 Sep, 2014. Accessed 16/07/18 at <https://www.theguardian.com/news/datablog/2014/sep/12/are-uk-mps-really-claiming-more-expenses-now-than-before-the-scandal>

⁸⁰ Committee on Members Expenses, Committee on Standards, Speakers Committee for the Independent Parliamentary Standards Authority (SCIPSA).

⁸¹ Bolleyer, Nicole. *The State and Civil Society: Regulating Interest Groups, Parties, and Public Benefit Organizations in Contemporary Democracies*. Oxford. Oxford University Press. 2018.

As a result of this patchwork of different structures, there are as many as 350 councils in England at all levels. This total comprises 27 county councils with 201 district councils, 33 London unitary boroughs, 36 metropolitan districts, 55 unitary authorities - including all county councils which are unitary authorities - and the Isles of Scilly, an archipelago off the southwestern tip of Cornwall in the south west of England.⁸² The number of councillors for each authority is determined by the Local Government Boundary Commission for England (LGBCE), established in 2010 as a replacement for an older body with its roots in the 1970s reforms which created the core elements of the current system.⁸³ According to the LGBCE, there were 17,696 local councillors in England across all types of council in 2017/18.⁸⁴

The basic scheme for councillors' remuneration is the responsibility of the Secretary of State for Housing, Communities and Local Government.⁸⁵ The structure of the current remuneration scheme for English local councillors can thus be found in the *Local Authorities (Members' Allowances) (England) Regulations 2003* ('the regulations'). The regulations specify a number of specific forms of allowance payable to councillors. These consist firstly of a 'basic allowance', equivalent to a salary, payable based on a yearly amount to all members of the authority.⁸⁶ This may be supplemented by a 'Dependants' carers' allowance', payable for specific 'expenses of arranging for the care of their children or dependants' which are 'necessarily incurred' in the performance of the councillors duties.⁸⁷ Likewise, a travelling and subsistence allowance may be provided to in connection with any travel expenses incurred as a result of a specified list of duties.⁸⁸ However, an additional 'co-optees allowance' may also be made available for conference attendances and meetings which fall outside of the narrower definition of council business.⁸⁹

The regulations also provide for a salary uplift scheme for members of the authority with roles closer to full time political occupations in the form of a 'special responsibility

⁸² 'Local government structure'. *Politics.co.uk*. Accessed 16/07/18 at <http://www.politics.co.uk/reference/local-government-structure>

⁸³ 'Local government structure and elections – Number of Councillors'. *Gov.uk*. Jan 11, 2016. <https://www.gov.uk/guidance/local-government-structure-and-elections#number-of-councillors>

⁸⁴ 'Electoral data'. *Lgbce.org.uk*. Local Government Boundary Commission for England. Accessed 16/07/18 at <http://www.lgbce.org.uk/resources/electoral-data>

⁸⁵ Local Government and Housing Act 1989(a) S.18, 190(1); Local Government Act 2000(b) S.100, 105(2)(3)

⁸⁶ *New Council Constitutions: Guidance on Regulation for Local Authority Allowances*. Department for Communities and Local Government. 2007. Accessed 16/07/18 at <http://webarchive.nationalarchives.gov.uk/20120920031946/http://www.communities.gov.uk/documents/localgovernment/pdf/157440.pdf>

⁸⁷ Local Authorities (Members' Allowances) (England) Regulations 2003 s.7(1)

⁸⁸ Local Authorities (Members' Allowances) (England) Regulations 2003 s.8(1)

⁸⁹ Local Authorities (Members' Allowances) (England) Regulations 2003 s.9(1)

allowance’. This is payable for a variety of specified functions, including both official roles (e.g. members of the council executive) and political roles (e.g. leader or deputy leader of a political group within the authority).⁹⁰ Indeed, the regulations further specify that such an allowance for political work must be provided to an opposition leader or spokesperson whenever a council is divided between a controlling bloc and other members.⁹¹

While the broad framework for council remuneration schemes is set by central government, the regulations do not set the actual levels of the different forms of allowance. Indeed, neither the regulations nor the accompanying guidance go even so far as to specify acceptable bands for allowances, or any specific method for calculating annual adjustments. Instead, the regulations establish a system of independent panels to provide recommendations to councils. These independent panels may operate at the level of a single council, or be shared between a group of councils, and must not have members who are current councillors. The regulations impose a duty on councils to consult these panels when making any changes, and have ‘due regard’ to these recommendations.⁹²

Given the number of councils in England, the range of variation introduced by this localised system of pay-setting makes establishing the average level of pay of an English local councillor, or even definite upper and lower bounds, difficult. England is a geographically and economically diverse country, a fact reflected in its local governance arrangements. England’s largest local council, Northumberland – a unitary authority in the far north of England – covers 5,013 square kilometres, while the City of London, also a unitary authority, is a mere 2.9 square kilometres. Councils are also diverse in terms of their population, from West Somerset’s 34,222 people to Birmingham, England’s second city by population and represented by a single unitary authority, with a population 1,124,569 people as of 2016.⁹³ Geographical economic inequality is also high in the UK, and has grown in recent decades.⁹⁴ In 2016, the England contained the

⁹⁰ Local Authorities (Members’ Allowances) (England) Regulations 2003 s.5(1)

⁹¹ Local Authorities (Members’ Allowances) (England) Regulations 2003 s.5(2)

⁹² New Council Constitutions: *Guidance on Regulation for Local Authority Allowances*. Department for Communities and Local Government. 2007. p. 28. Accessed 16/07/18 at <http://webarchive.nationalarchives.gov.uk/20120920031946/http://www.communities.gov.uk/documents/localgovernment/pdf/157440.pdf>

⁹³ ‘Local Government Facts and Figures’. *Lgiu.org.uk*. Local Government Information Unit. Accessed 16/07/18 at <https://www.lgiu.org.uk/local-government-facts-and-figures/>

⁹⁴ Cribb, Jonathan and Andrew Hood, Robert Joyce and Agnes Norris Keiller. ‘Living standards, poverty and inequality in the UK: 2017’. Institute for Fiscal Studies. Jul 19, 2017. Accessed 16/07/18 at <https://www.ifs.org.uk/publications/9539>

richest region in Northern Europe (West London), but also five of the ten poorest, mainly in the north and west.⁹⁵

The most comprehensive research into council salaries was conducted by the Local Government Association (LGA), the body which represents English and Welsh local councils, using two surveys in 2006 and 2008.⁹⁶ In the 2008 wave, the LGA found county council salaries under the basic allowance ranging from £4,194 (East of England) to £9,978 (London), with an average salary in England of £6,099. Leader's additional salary under the special responsibility allowance averaged £17,753, ranging from £11,490 in shire districts to £37,486 in the London boroughs, cabinet members averaged £9,710, ranging again from £6,083 in shire districts to £22,028 in London boroughs. The LGA further concluded that that allowances were 'highest where the cost of living is highest and allowances are also higher where the responsibilities and time required to fulfil the role are greatest'.⁹⁷

Underlying this variation, therefore, as well as the broader debate over councillors pay, is a normative tension about the role of local councillors which mirrors the national debate on professionalism. Some observers have argued that the job of a local councillor has shifted from a part-time amateur occupation to a full-time professional one.⁹⁸ As noted, the development of the Member of Parliament role into a full-time professional occupation was instrumental in the debate over pay. However, as with MPs, professionalization has also been contested on normative as well as financial grounds. For example, a 2007 report for the Councillors Commission – an independent review established by the government – noted, there has long been a 'lack of consensus on the remuneration of elected members', with views of different groups divided between the 'public service' and 'professional' approaches.⁹⁹ In particular, the

⁹⁵ Panjwani, Abbas. 'Does the UK have the poorest regions in northern Europe?'. *Full Fact*. Jun 11, 2018. Accessed 16/07/18 at <https://fullfact.org/economy/does-uk-have-poorest-regions-northern-europe/>

⁹⁶ <https://www.local.gov.uk/research-local-government-pay-and-workforce-members-allowances>

⁹⁷ 'Research - Local Government pay and workforce - Members Allowances'. *Local.gov.uk*. Local Government Association. Accessed 16/07/18 at <https://www.local.gov.uk/sites/default/files/documents/members-allowances-survey-8f4.pdf>

⁹⁸ Hands, Dawn, Sally Taylor and Rachel Featherstone. 'Understanding the barriers and incentives to becoming and remaining a councillor in England'. Councillors Commission. 2007. pp. 10-11. Accessed 16/07/18 at https://www.researchgate.net/publication/271505619_Understanding_the_barriers_and_incentives_to_becoming_and_remaining_a_councillor_in_England

⁹⁹ Hall, Declan. 'Members remuneration'. Councillors Commission. Dec 2007. Accessed 16/07/18 at <http://webarchive.nationalarchives.gov.uk/20080910144932/http://www.communities.gov.uk/documents/localgovernment/pdf/584026.pdf>

remuneration implied by the former approach has been subject to criticism from outside groups, who see increasing rewards as a ‘gravy train’ for councillors.¹⁰⁰

In recent years, again mirroring the Westminster level, this debate has been further complicated by the effects of fiscal austerity in the UK, beginning in the aftermath of the Financial Crisis of 2008-9. Local government funding has been sharply cut in England since the crisis, with the central government department responsible for the majority of grant funding to local authorities receiving cuts of around 40% since 2010/11. As a consequence, employment and pay for public sector staff has come under severe pressure.¹⁰¹ Councils employ a large number of staff in a variety of occupations, often on relatively low pay. In total, more than two million people are employed by local authorities, including teachers, social workers, firefighters, and many others in back-room office and manual roles. At the same time, councils have been criticised in the tabloid press for salaries paid to senior staff.¹⁰²

As a result of these pressures, the issue of English local representatives’ salaries has become if anything more contested in recent years. Compounding the issue, little has been done at by central government to clarify the future direction of policy. The most comprehensive recent consideration of the role of local councillors by Westminster – including issues around remuneration – can be found in the House of Commons’ Communities and Local Government Committee (CLGC) report *Councillors on the Frontline*, published in 2012.¹⁰³ Rather than establish a national framework, the committee recommended that councils should be given the ability to create independent panels with the power to decide – rather than merely recommend – the appropriate level of pay.¹⁰⁴ In this respect, the CLGC made explicit reference to the system of independent pay setting for MPs by IPSA, arguing that it would be ‘inconsistent for

¹⁰⁰ ‘Councillors’ Commission urges local politicians: All aboard the Gravy Train’. *Taxpayersalliance.com*. TaxPayers Alliance. Mar 05, 2009. Accessed 16/07/18 at

http://www.taxpayersalliance.com/councillors_commission_urges_local_politicians_all_aboard_the_gravy_train

¹⁰¹ ‘Unite local councillor briefing on pay’. *Unitetheunion.org*. Unite. Accessed 16/07/18 at

<http://www.unitetheunion.org/uploaded/documents/Local%20Government%20workers%20pay%20June%20201311-13159.pdf>

¹⁰² Martin, Daniel. ‘The 539 town hall fat cats who rake in MORE than the Prime Minister’. *Mail Online*. Apr 11, 2017. Accessed 16/07/18 at <http://www.dailymail.co.uk/news/article-4399620/The-539-town-hall-fat-cats-rake-PM.html>

¹⁰³ ‘Councillors’ future role is on the frontline says Committee’. Communities and Local Government Committee. *Parliament.uk*. Accessed 16/07/18 at <https://www.parliament.uk/business/committees/committees-a-z/commons-select/communities-and-local-government-committee/news/councillors-report/>

¹⁰⁴ Communities and Local Government Committee, *Councillors on the Frontline*. HC 432. Dec 17, 2012. Accessed 16/07/18 at <https://publications.parliament.uk/pa/cm201213/cmselect/cmcomloc/432/432.pdf>

Parliament to deny councils the option it has chosen for the determination of its own pay and conditions.’¹⁰⁵

The CLGC report received a cautious welcome from observers. The Local Government Information Unit, a think tank, argued that the proposal on independent panels ‘should be explored further’, but that the ‘real debate now needs not to be about money’ but about ‘how councillors can be supported to make the most of devolved powers.’¹⁰⁶ However, the report ended up embroiled in a political controversy involving party funding. The Labour Party levies a percentage of councillors’ allowances, totalling about £2 million per year and making the Association of Labour Councillors collectively the party’s largest donor.¹⁰⁷ As a result, Conservative officials and ministers accused Labour MPs on the CLGC of failing to declare an interest in increased allowances and orchestrating a ‘cynical and sleazy move’ to increase party funding.¹⁰⁸ At the time of writing, the recommendations on independent pay setting have not been implemented.

Debate around pay and professionalism in English councils therefore continues. Research published in 2017 by the *Voice of the Councillor* project – a collaboration between De Montfort University and the National Association of Local Councils (NALC) – has identified precisely the same debates that were evident in the Councillors Commission report ten years previously.¹⁰⁹ The project report also echoed the 2012 CLGC report’s stance on remuneration, and called for an ‘independent inquiry [to] be held into the current councillor remuneration system and time off for public duties’.¹¹⁰ In the absence of such an enquiry, however, lack of clarity on pay issues has increasingly led to conflicts between councils and independent pay boards.¹¹¹ In several extreme cases this has resulted in the resignation of entire

¹⁰⁵ Communities and Local Government Committee. *Ibid.* p.35

¹⁰⁶ ‘Councillor Allowances: Select Committee report on Councillors on the Front-line’. Local Government Information Unit. Jan 10, 2013. Accessed 16/07/18 at <https://www.lgiu.org.uk/2013/01/10/councillor-allowances-select-committee-report-on-councillors-on-the-front-line/>

¹⁰⁷ Akehurst, Luke. ‘This time, Labour councillors are the standard bearers for the ‘moderates’’. *LabourList*. Jan 9, 2016. Accessed 16/07/18 at <https://labourlist.org/2016/02/this-time-labour-councillors-are-the-standard-bearers-for-the-moderates/>

¹⁰⁸ ‘Political row over councillors’ pay after report by MPs’. BBC. Jan 10, 2013. Accessed 16/07/18 at <https://www.bbc.co.uk/news/uk-politics-20967913>

¹⁰⁹ Copus, Colin and Rachel Wall. ‘We ask much of our councillors but do not support them in refreshing local democracy’. Blogs.lse.ac.uk. LSE. Accessed 16/07/18 at <http://blogs.lse.ac.uk/politicsandpolicy/the-voice-of-the-councillor/>

¹¹⁰ *The Voice of the Councillor – Recommendations*. Local Government research Unit. De Montfort University. Jul 2017. Accessed 16/07/18 at <http://lgru.our.dmu.ac.uk/files/2016/10/The-Voice-of-the-Councillor-2017-Recommendations.pdf>

¹¹¹ ‘Kent has highest paid councillors in England’. *Timesofunbridgewells.co.uk*. Accessed 16/07/18 at <https://www.timesofunbridgewells.co.uk/kent-has-highest-paid-councillors-in-england/>; Keeling, Ruth. ‘Councillors reject allowance cut call’. *Local Government Chronicle*. Aug 4, 2011. Accessed 16/07/18 at

boards when recommendations were rejected.¹¹² Thus, while the question of councillors pay has slipped off the national agenda for now, it continues to be a source of considerable contention at the local level.

Directly Elected Mayors

In addition to the traditional structure of local councils, since the new millennium England has developed an additional tier of sub-state government in the form of overarching authorities for some large metropolitan areas. The first of these areas was London, with a directly elected mayoralty for Greater London established by the Greater London Authority Act 1999. The Greater London Authority (GLA) consists of the Mayor and a 25 member London Assembly elected via the Additional Member System of proportional representation, with the first elections taking place in May of 2000.

Similarly to the council level, the GLA Act makes the Mayor and Assembly Members responsible for their own levels of pay, resettlement grants and pension benefits. However, the framework for doing so was established in collaboration with the Review Body on Senior Salaries (see above).¹¹³ This framework, established in 2009, establishes an uprating system for pay levels pegged to the annual pay increase all Greater London Authority staff, with the proviso that this be in line with local government settlements nationally.¹¹⁴ As of 2017/18, this meant that the salary of the Mayor was £146,804, the salary of an Assembly Member was £56,270 and the Chair of the Assembly received £67,498. Assembly members also have access to a range of expenses, mainly related to travel and connected expenditures.¹¹⁵ Unlike English local councillors, therefore, London Assembly members are remunerated at a level comparable to members of the Scottish Parliament and Northern Irish and Welsh Assemblies.

<https://www.lgcplus.com/politics-and-policy/workforce/councillors-reject-allowance-cut-call/5033259.article#.W0yyEtyysnE>

¹¹² Fort, Hugh. 'Row over Wokingham councillors pay leads to mass resignation'. *GetReading.com*. Nov 28, 2016. Accessed 16/07/18 at <https://www.getreading.co.uk/news/reading-berkshire-news/row-over-wokingham-councillors-pay-12231747>; 'Surrey County Council pay panel resigns over 60% increase'. BBC. May 13, 2014. Accessed 16/07/18 at <https://www.bbc.co.uk/news/uk-england-surrey-27398200>

¹¹³ 'Salaries, expenses, benefits and workforce information'. *London.gov.uk*. Greater London Authority. Accessed 16/07/18 at <https://www.london.gov.uk/about-us/governance-and-spending/spending-money-wisely/salaries-expenses-benefits-and-workforce-information>

¹¹⁴ Greater London Authority, *Salaries and Pensions Determination 2009*. Dec 21, 2009. Accessed 16/07/18 at https://www.london.gov.uk/sites/default/files/gla_migrate_files_destination/archives/gla-docs-salaries-determination-dec09.pdf

¹¹⁵ Greater London Authority, *Expenses and Benefits Framework*. March 2017. Accessed 16/07/18 at https://www.london.gov.uk/sites/default/files/expenses_benefits_framework_-_apr_17_final.pdf; see also *MD2085 Updates to the GLA's corporate governance documents*. April 24, 2017. Accessed 16/07/18 at <https://www.london.gov.uk/decisions/md2085-updates-glas-corporate-governance-documents>

As a result of the perceived success of the arrangements for London, elected mayoralities presiding over multiple councils have now been established in seven other areas. The legal framework for the creation of combined authorities derives from the Local Democracy, Economic Development and Construction Act 2009 creates the legal framework for combined authorities.¹¹⁶ Originally, these were simply a group of two or more councils which agreed to collaborate and take collective decisions across council boundaries, though without dissolving the original council structures.¹¹⁷ Later however, under the Cities and Local Government Devolution Act 2016, this was combined with ‘devolution deals’ offering more powers to combined authorities in return for establishing a directly elected mayorality.¹¹⁸ The first wave of devolution deals were implemented in 2017, creating elected ‘metro mayors’ mayors for city regions centred on Manchester, Liverpool, Birmingham, Cambridge, Bristol and Middlesbrough.

Many of the new mayoralities are prestigious and powerful positions. However, only the Mayor of Manchester draws a salary of over £100,000, approaching that of the mayor of London. Like local councillors, metro mayors have been recommended salaries by an independent panel, but voted on by the elected members combined authorities. As at the council level, and at Westminster before 2009, it appears likely that this process may well have depressed the salaries offered for these roles. As shown in Table 4, the majority of metro mayors are in fact paid an amount approximately equal to or less than a Westminster MP, in spite of representing much larger constituencies of voters. At the lowest end of the scale, the Mayor of the Tees Valley, with a population of 667,500, is paid less at £35,800 than a Northern Irish MLA representing (notionally) around 20,800 people. At this early stage in their existence, however, it is unclear whether such salary suppression will prove similarly problematic in the long run.

Table 4. Salaries of Elected Mayors and Mayoral Assemblies in England

City Core	Title	Year Created	Population ¹¹⁹	Salary
London	Mayor of London	2000	8,546,761	£146,804 ¹²⁰

¹¹⁶ Local Democracy, Economic Development and Construction Act 2009 s.103(1)

¹¹⁷ ‘Combined authorities’. *Local.gov.uk*. Local Government Association. Accessed 16/07/18 at <https://www.local.gov.uk/topics/devolution/combined-authorities>

¹¹⁸ ‘Everything you need to know about metro mayors: an FAQ’. *Centreforcities.org*. Centre for Cities. Accessed 16/07/18 at <http://www.centreforcities.org/publication/everything-need-know-metro-mayors/#whyare>

¹¹⁹ Centre for Cities. *Ibid*.

¹²⁰ Chopra, Shruti Tripathi. ‘How much will Sadiq Khan earn as mayor of London?’. *Cityam.com*. City AM. Accessed 16/07/18 at <http://www.cityam.com/240619/how-much-will-sadiq-khan-earn-as-mayor-of-london>

	Member of the London Assembly	2000	N/A	£56,270 ¹²¹
Manchester	Mayor of Greater Manchester	2017	2,756,100	£110,000 ¹²²
Liverpool	Metro Mayor of the Liverpool City Region	2017	1,524,500	£77,500
Birmingham	Mayor of the West Midlands	2017	2,833,600	£79,000
Cambridge	Mayor of Cambridgeshire and Peterborough	2017	841,300	£75,000 ¹²³
Bristol	Mayor of the West of England	2017	908,900	£62,000
Middlesbrough	Mayor of the Tees Valley	2017	667,500	£35,800

Sources: Centre for Cities, Greater London Authority, BBC News

The Devolved Legislatures: Scotland, Wales and Northern Ireland

Since the late-1990s, the Westminster parliamentarians and local councillors have been joined by a third category of elected legislative representative; members of ‘devolved’ parliament and assemblies representing Wales, Scotland and Northern Ireland. Since this time, reforms to the compensation packages for members of the devolved institutions have often paralleled Westminster developments in terms of greater institutionalisation and regulation, but also increased remuneration and resources. However, the outcomes reached in each case also reflect the particular situation of the territory in question.

Organisation and Distribution of Political Functions in Wales

The National Assembly for Wales, commonly known as the Welsh Assembly, comprises 60 members, who are known as Assembly Members (AMs). Members are now elected for five-year terms, with the passage of the Wales Act 2014, having previously been four-year terms. The electoral system is the additional members system (a Mixed Member Proportional (MMP) System), similar to that used in elections to the Scottish Parliament but in which 40 AMs represent geographical constituencies elected by the plurality system, and 20

¹²¹ ‘Salaries, expenses, benefits and workforce information’. *London.gov.uk*. Greater London Authority. Accessed 16/07/18 at <https://www.london.gov.uk/about-us/governance-and-spending/spending-money-wisely/salaries-expenses-benefits-and-workforce-information>

¹²² ‘Elections 2017 results: Who are the new metro mayors?’. BBC. May 5, 2017. Accessed 16/07/18 at <http://www.bbc.co.uk/news/election-2017-39817220>

¹²³ ‘Panel recommends £75,000 salary for new mayor of Cambridgeshire and Peterborough’. *Peterborough Today*. Jun 22, 2017. Accessed 16/07/18 at <https://www.peterboroughtoday.co.uk/news/politics/panel-recommends-75-000-salary-for-new-mayor-of-cambridgeshire-and-peterborough-1-8020992>

AMs represent five electoral regions using the d'Hondt method of proportional representation.¹²⁴ Currently electoral reform is debated, involving a lowering of the voting age to 16, an increase of AMs from 60 to at least 80 as well as reform of the voting system, which would – if MMP would be maintained – need to be adapted for a larger Assembly – or in combination with gender quotas – suggest a possible move away from MMP to Single Transferable Vote (STV).¹²⁵

Compensation for Welsh Assembly Members and Government Officials

Compared to the other developed legislatures, developments in the Welsh Assembly most closely parallel events at Westminster. At the time of the 2009 expenses scandal, which triggered reform at UK level, the Welsh Assembly had already established an independent review panel on assembly members' pay and allowances. Its report, *Getting it Right for Wales*, was published in July 2009 – two months after the Westminster expenses scandal broke.¹²⁶ In 2010, acting on one of 108 recommendations made by the review, the Welsh Assembly created in 2010 the Remuneration Board an independent statutory body responsible for setting the pay, pension and financial support arrangements for Assembly Members. Like IPSA at the UK level, there are no AMs on it and it does not need approval of the assembly in making decisions.¹²⁷ This body looks at Assembly Members' (AMs') pay and allowances to make sure AMs have the right resources for doing their jobs but also to assure that the system of financial support represents value for money to tax payers.¹²⁸

In 2011, AM salary was £53,852. In addition to this base salary, holders of additional office receive additional pay. In 2011, the First Minister received an additional salary of £80,870, ministers 41,949 and committee chairs £8,280.¹²⁹ Currently (2017-18), an AM annual

¹²⁴ Mixed-member proportional representation is a [mixed electoral system](#) in which voters get two votes: one to decide the [representative](#) for their single-seat constituency, and one for a political party. Seats in the legislature are filled firstly by the successful constituency candidates, and secondly, by party candidates based on the percentage of nationwide or region-wide votes that each party received.

¹²⁵ 'Reforming the Welsh Assembly: how do you choose an electoral system?'. Dec 12, 2017. Accessed 16/07/18 at <https://constitution-unit.com/2017/12/12/reforming-the-welsh-assembly-how-do-you-choose-an-electoral-system/>

¹²⁶ 'Remuneration Board'. www.assembly.wales/en. Welsh Assembly. Accessed 16/07/18 at <http://www.assembly.wales/en/bus-home/committees/Pages/Committee-Profile.aspx?cid=375>

¹²⁷ Auditor General for Wales, *Statement from the Chair of the Finance Committee*. www.assembly.wales/en. Accessed 16/07/18 at <http://www.assembly.wales/en/newhome/pages/newsitem.aspx?itemid=1808>

¹²⁸ Remuneration Board. *The Remuneration Board Strategy for 2016-2021*. Jan 2017. P.14. Accessed 16/07/18 at <http://senedd.assembly.wales/documents/s58010/The%20Remuneration%20Boards%20strategy%20for%202016-2021.pdf>

¹²⁹ Remuneration Board, *Determination on Members' Pay and Allowances*. Mar 2011. p.12. Accessed 16/07/18 at http://www.assembly.wales/NAfW%20Documents/rb_determination_final_version_-_english.pdf%20-%202012042012/rb_determination_final_version_-_english-English.pdf

salary is £65,344 (being set at £64,000 at the start of the Fifth Assembly) and is indexed to average earnings in Wales.¹³⁰ Nowadays, the Welsh First Minister receives a total salary of £142,940, ministers £86,785, committee chairs either £78,617 (high) or £74,186 (low).¹³¹

The Remuneration Board has made very similar decisions to IPSA about the direction of policy; increasing salaries while cutting some other benefits. In 2015 Welsh Assembly Members received a £10,000 pay increase. This was decided by the assembly's independent Remuneration Board following two consultations. In May 2016, backbenchers' £54,000 pay increased to £64,000, which was meant to take account of further devolution of powers to the Assembly, increasing the responsibilities of Welsh Assembly members.¹³² While criticized by some, the Remuneration Board argued that the role of an AM was on a par with national parliamentarians in terms of legislative, financial and oversight responsibility, especially from 2016 onwards, given new authority over taxation and government borrowing and a likely further increase in the breadth of legislative competence, while being with 60 members by far smaller than other legislatures. As with the pay increase on the UK level, this was linked to a reduction of assembly contributions to AMs' pensions.¹³³

Similarly to the UK level, AMs are entitled to resources to employ staff and run offices in their constituencies and are reimbursed for travel expenses when being out on official Assembly duties. Expenses fall in three categories: Office Costs Allowance (i.e. office expenses related to their duties as an Assembly Member); Additional Costs Allowance (i.e. expenses incurred in staying overnight away from their main home for the purpose of performing their duties as a Assembly Member) and Travel Costs Allowance (i.e. travel expenses incurred by Assembly Members due to their Assembly duties). Since 2008, the claims are published online and can be searched in a database.¹³⁴

¹³⁰ 'Members' pay and expenses'. www.assembly.wales/en. Welsh Assembly. Accessed 16/07/18 at <http://www.assembly.wales/en/memhome/pay-expenses-financial-interests-standards/mem-expenses-2/Pages/mem-expenses-2.aspx>

¹³¹ *Determination on Members' Pay and Allowances on 2017-2018*. May 2017. p.10-11. Accessed 16/07/18 at http://www.assembly.wales/Job%20Documents/Cams/Determination/Determination_Sep_17_EN.pdf

¹³² 'Welsh assembly members will receive a £10,000 pay rise'. BBC. May 22, 2015. Accessed 16/07/18 at <http://www.bbc.co.uk/news/uk-wales-politics-32829015>. 'Welsh assembly members set for £10,000 pay rise'. BBC. Nov 24, 2014. Accessed 16/07/18 at <http://www.bbc.co.uk/news/uk-wales-politics-30177498>

¹³³ 'How much should we pay Assembly Members?'. Nov 24, 2014. Accessed 16/07/18 at <http://www.iwa.wales/click/2014/11/how-much-should-we-pay-assembly-members/>

¹³⁴ 'Members' pay and expenses'. www.assembly.wales/en. Welsh Assembly. Accessed 16/07/18 at <http://www.assembly.wales/en/memhome/pay-expenses-financial-interests-standards/mem-expenses-2/Pages/mem-expenses-2.aspx>

Regarding AM pensions, the National Assembly for Wales provides a defined benefit scheme, governed by the Government of Wales Act 1998. A new Career Average Pension Scheme was introduced from 6 May 2016. Members aged 55 or over on 1 April 2012 are subject to ‘Transitional Protection’ and continue to have their benefits calculated on a final salary basis for an additional five years until 5 May 2021.¹³⁵

Local Government in Wales

Unlike in England, Wales has a well-established all-Wales system for setting the pay and allowances of local councillors.¹³⁶ The standard basic allowance for all councillors is established centrally by the Independent Remuneration Panel for Wales, based historically on the assumption of a time commitment of three days per week (Hall et al, 2001). This has increased over the years, but only slowly; from currently £12,718 in 2007 to £13,200 in 2016/17.¹³⁷ Nonetheless, this is considerably higher than most English councils, though less than the centrally set level for Scotland (see below).¹³⁸ The dependants’ carers’ allowance, leaders’ special responsibility allowances, and other special responsibility allowances are also set nationally in Wales. The latter vary according to the size of the authority, and are set by the Panel both in terms of their level and the number and type of council members who receive them.¹³⁹

Organisation and Distribution of Political Functions in Scotland

Since 1999, Scotland has had a devolved Parliament with limited, though growing, competences and powers. Scotland continued to send Members of Parliament (MPs) to the House of Commons. There are 59 Scottish MPs (9%) in a Commons of 650 members while Scotland has 8.2% of the UK’s population. In common with the UK Parliament, the Scottish Parliament (commonly known as Holyrood, its location in Edinburgh) represents a form of Parliamentary democracy in which the executive branch is formed from within the Parliament.

¹³⁵ National Assembly. *Members’ Pension Scheme Annual Report and Accounts*. p.3-4. Accessed 16/07/18 at <http://www.assembly.wales/NAFW%20Documents/Assembly%20Member%20section%20documents/220617%202016%2017%20accounts%20English%20Final-web.pdf>

¹³⁶ Hall, Declan. ‘Members remuneration’. *Councillors Commission*. Dec 2007. Accessed 16/07/18 at <http://webarchive.nationalarchives.gov.uk/20080910144932/http://www.communities.gov.uk/documents/localgovernment/pdf/584026.pdf>

¹³⁷ *Independent Remuneration Panel for Wales – Annual Report*. WG26505. Feb 2016. p.12. Accessed 16/07/18 at <https://gov.wales/docs/dsjlg/publications/160217-irp-annual-report-16-17-en.pdf>

¹³⁸ ‘TaxPayers’ Alliance reveals highest and lowest paid councillors in the UK’. *Taxpayersalliance.com*. Aug 29, 2012. Accessed 16/07/18 at

http://www.taxpayersalliance.com/taxpayers_alliance_reveals_highest_and_lowest_paid_councillors_in_the_uk

¹³⁹ *Independent Remuneration Panel for Wales – Annual Report*. WG26505. Feb 2016. p.13-16. Accessed 16/07/18 <https://gov.wales/docs/dsjlg/publications/160217-irp-annual-report-16-17-en.pdf>

The franchise for Holyrood was extended to 16/17 year olds for the Scottish independence referendum in 2014 and at subsequent Scottish Parliament elections in 2016. The proportion of Scottish MPs had been higher than merited on a strict population basis during the twentieth century, reflecting Scotland's distance from the seat of political power in London and its large land mass and relatively sparse population. The number of MPs returned to Parliament from Scotland was brought in line with population share after devolution.

There had always been distinct Scottish institutions pursuing some policies which diverged to some extent from the rest of the UK. The new elected Parliament created an authoritative decision-making body. The Mixed Member Proportional (MMP) electoral system (known locally as the Additional Member System) is used in Holyrood elections, as set out in the Westminster legislation creating the Parliament. The voter has two votes: 73 constituency Members of the Scottish Parliament (MSPs) are returned using simple plurality; plus seven List MSPs are elected in each of eight Scottish regions. The electoral system created two types of MSP and debate as to the compensation allocated to each. This means that every elector has 8 MSPs. The electoral system made it difficult, though not impossible as occurred in 2011, for any party to win an overall majority which has led to both coalition and minority governments in Scotland and one term of single party majority government.

Compensation for Members of the Scottish Parliament and Government Officials

The roles of MPs, Constituency and List MSPs, differed though members of the public were generally unclear as to competences that had been devolved and those retained at Westminster and were also unclear as to the difference between the two types of MSP.¹⁴⁰ While the salaries of both types of MSP are the same there are differences in the allowances available to constituency and list MSPs. It is possible for someone to be both an MP and an MSP but they are unable to take the salaries for both elected positions. With the exception of Law Officers (chief legal advisers), Scottish Government Ministers are MSPs. The following table gives an overview of salaries.

Table 5. MSP and Officeholder Salaries in 2018

Office	Salary (including MSP salary)
MSP	£62,149
MSP (if also MP)	£20,717

¹⁴⁰ J. Bradbury and J. Mitchell (2007), 'The Constituency Work of Members of the Scottish Parliament and Assembly for Wales', *Regional and Federal Studies*, 17, pp.117-145.

First Minister	£152,179
Cabinet Secretary	£108,858
Government Minister	£91,407
Lord Advocate (Senior Govt Law Officer)	£123,166
Solicitor General (Govt Law Officer)	£106,273
Presiding Officer	£108,854
Deputy Presiding Officer	£91,407

Source: MSP Salaries and Pensions, Scottish Parliament Salary Scheme.¹⁴¹

A special allowance is available to opposition party leaders (there is no ‘Leader of the Opposition’ in the Scottish Parliament as in the House of Commons) depending on the party’s number of MSPs which can be used to perform functions as a Parliamentary party leader: leaders of a party with 15-29 MSPs receive an additional £16,007 and those with over 30 MSPs receive £390,415. On election, MSPs automatically join the Parliamentary pension scheme with an option to opt out or to paying into a higher rate and receiving a higher pension. Retirement benefits for MSPs are payable on reaching the age of 65 if no longer an MSP. The pension scheme requires at least 3 months membership. The higher rate (involving 11% contribution from MSP) accrues at the rate of 1/40th of final salary for each year (pro rata for part of a year) of service. The lower rate (involving 6% contribution) accrues at the rate of 1/50th of final salary for each year (pro rata for part of a year) of service.¹⁴²

MSPs further receive expenses for carrying out their duties and what constitutes a legitimate duty as an MSP have been officially outlined.¹⁴³ As the Parliament is in Edinburgh an allowance is available for accommodation for MSPs who are unable to travel home overnight during sittings. Entitlement depends on the main residence of the MSP. In addition, there is support for office costs, holding surgeries, meetings at which MSPs are available to meet constituents, travel and telecommunications as detailed in the next table. Finally there is a ‘winding-up’ allowance of £6,400 for Members leaving the Parliament to allow them to complete unfinished business.¹⁴⁴

¹⁴¹ ‘Salaries from 1 April 2018’. *Parliament.scot*. Scottish Parliament. Accessed 16/07/18

http://www.parliament.scot/Membersguidance/MSP_and_Office_Holders_Salaries_as_at_1_April_2018.pdf

¹⁴² *A Guide to the Scottish Parliamentary Pension Scheme*. Scottish Parliament. Accessed 16/07/18 at

<http://www.sppa.gov.uk/Documents/Other%20Schemes/Word%20Version%20Updated%20Mar%202011%20SPPS%20Guide%20Final%202009.pdf>

¹⁴³ *Guidance on the Reimbursement of Members’ Expenses Scheme*. Scottish Parliament. Accessed 16/07/18 at

http://www.parliament.scot/Allowancesandexpensesresources/Members_Expenses_Scheme_Guidance_Version_1.pdf

¹⁴⁴ ‘Allowances Rate Reference Card - Expenses Provision 2018/2019’. *Parliament.scot*. Accessed 16/07/18 at

<http://www.parliament.scot/msps/42646.aspx>

Table 6: Parliamentary Allowances 2018/19

Office Cost Provision	£19,200
Staff Cost Provision	£89,100
Edinburgh Accommodation Provision	
- Full Year	£14,800
- Overnight Limit	£163
Overnight Expenses	
- Greater London, Brussels, Strasbourg	£190
- UK (Excluding Greater London)	£163
Surgery Advertising	£1,881
Telecommunications	£1,427
Mileage	
- Motor Mileage	45p per mile for first 10k miles
-	25p per mile thereafter
- Motor Cycle	24p per mile
- Pedal Cycle	20p per mile
Staff Travel Provision	74 journeys

Source: Reimbursement of Members' Expenses Scheme¹⁴⁵

Expenses Scandals in Scotland

The rules governing salaries and expenses for MSPs when the Scottish Parliament was established were subject to the public and media scrutiny of modern politics. There were controversies from the outset even before the impact of the scandal surrounding expenses abuse by Members of Parliament in London. Party politics played a part in early controversies. In the first elections to the Scottish Parliament, Labour won 53 constituency seats and 3 List seats. This contrasted with the both SNP (7 Constituency and 28 List) and Conservative MSPs (no Constituency MSPs and 18 List). Labour proposed that allowances for constituency MSPs should be greater than for list MSPs. A compromise was found whereby parties with more than one List MSP in a region would receive reduced costs for offices in the region. This would act against Labour when its fortunes were reversed in later elections and Labour came to have a greater dependence on list MSPs.¹⁴⁶

In 2005, two resignations followed the release of information under Freedom of Information. A Liberal Democrat List MSP's expenses' claims were deemed to be exorbitant, including travel costs in the region he represented when he was in Parliament, and resigned as

¹⁴⁵ 'Reimbursement of Members' Expenses Scheme – Quick Links'. *Parliament.scot*. Accessed 16/07/18 at http://www.parliament.scot/Allowancesandexpensesresources/Members_Expenses_Scheme_without_text_of_the_resolution_for_website_v2.pdf

¹⁴⁶ Carmen, C, Johns, R and Mitchell, J (2014), *More Scottish than British: the 2011 Scottish Parliament Election*, Basingstoke, Palgrave Macmillan, pp. 43-4.

an MSP. David McLetchie stood down as leader of the Conservatives in the Scottish Parliament when his claims were found to include taxis to his law offices. This led to reforms with greater transparency. In December 2005, the Parliament published detailed expenses and produced these online from the following June.¹⁴⁷ Controversy focused next on the Edinburgh allowance. Under the original rules, MSPs who lived outside the Edinburgh area were permitted to buy accommodation in the city with support from the Parliament. Members who lost their seat were able to sell property in Edinburgh, one of the highest property markets in Scotland, for a personal profit though mortgages on the property had been paid by the Scottish Parliament. A review of practice chaired by Sir Alan Langlands, Dundee University Principal, proposed in March 2008 to replace support in form of Parliament paying mortgages in favour of a capped allowance for overnight accommodation.¹⁴⁸

Unlike in Wales, the Westminster expenses scandal had no direct impact on the Scottish Parliament but contributed to a general atmosphere of distrust. In November 2001, Henry McLeish had resigned as First Minister due to an expenses issue that dated back to his period as a Member of the House of Commons. The issue concerned sub-letting premises paid for by the Commons for his constituency work.¹⁴⁹ The Scottish Parliament dealt with these matters from early on. Its main response had been greater transparency. MSPs knew that the media would scrutinise expense claims carefully. This meant that the leaking of Westminster expenses' claims, which had previously been confidential, had no counterpart in Scotland at that time. Scottish Parliamentarians were spared the ignominy that afflicted many MPs.

Local Government in Scotland

Among the Scottish Parliament's responsibilities is local government. The UK Parliament reorganised local government with the Local Government etc, (Scotland) Act, 1996, coming into force two years later with 32 local councils, varying in geographical size and population. Included in the Scottish parliament's competences was the power to determine compensation for political work in individual councils. Individual councillors are paid a basic salary of £16,927 per annum.¹⁵⁰ In Scotland a national advisory panel set a uniform basic

¹⁴⁷ Earle, Murray. *Parliamentary Allowances and Pay*. Oct 4, 2007. Accessed 16/07/18 at

<http://www.parliament.scot/SPICeResources/Research%20briefings%20and%20fact%20sheets/SB07-51.pdf>,

¹⁴⁸ *Independent Review of Parliamentary Allowances - Report to the Scottish Parliamentary Corporate Body on the Reimbursement of Expenses for Members of The Scottish Parliament*. Mar 2008. Accessed 16/07/18 at

http://www.parliament.scot/Allowancesandexpensesresources/AllowancesReviewReport_final.pdf

¹⁴⁹ 'McLeish steps down'. BBC. Nov 8, 2001. Accessed 16/07/18 at

http://news.bbc.co.uk/1/hi/in_depth/scotland/2001/mcleish_resignation/1645219.stm

¹⁵⁰ *The Local Governance (Scotland) Act 2004 (Remuneration) Amendment Regulations 2017*

allowance for all councillors based on 75 per cent of the median salary, with no public service discount. It is currently (2017) £15,452. Special responsibility allowances are paid to Council Leaders and Civic Heads (Convenors). These special responsibility allowances are centrally prescribed, based on the population and spend of each authority. The total of special responsibility allowances is capped for each authority (SLARC 2006).¹⁵¹ Each council is in one of four bands which determines how much council leaders and civic heads are paid. The bands are based on the size of the council's budget and other factors determining how much can be paid to the leaders of councils. Other senior elected councillors may be paid a special allowance, determined by the local authority, on top of the normal pay but this cannot be more than 75% of that paid to the Council leader.

Table 7. Payment of Council Leaders and Civic Heads

Band	Local authority	Leader's salary	Civic Head's salary
A	Clackmannanshire; East Lothian; East Renfrewshire; Eilean Siar; Inverclyde; Midlothian; Moray; Orkney Islands; Shetland Islands; Stirling.	£28,213	£21,160
B	Angus; Argyll and Bute; Dumfries and Galloway; Dundee City; East Ayrshire; East Dunbartonshire; Falkirk; North Ayrshire; Perth and Kinross; Renfrewshire; Scottish Borders; South Ayrshire; West Dunbartonshire; West Lothian	£33,857	£25,392
C	Aberdeen City; Aberdeenshire; Fife; Highland; North Lanarkshire; South Lanarkshire	£39,497	£29,624
D	City of Edinburgh; Glasgow City	£50,783	£38,087

Source: The Local Governance (Scotland) Act 2004 (Remuneration) Amendment Regulations 2017¹⁵²

Organisation and Distribution of Political Functions in Northern Ireland

Different from the Scottish parliament, which is unicameral, Stormont was initially modelled on Westminster with a House of Commons (with 52 members) and a Senate (with 24). The Assembly created under the Good Friday Agreement was unicameral and elected using STV and had 108 Members. An agreement, including a reformed Stormont elected by STV, was put to a referendum in 1998 which a majority in Northern Ireland accepted. Since

¹⁵¹ 'Scottish Local Authorities Remuneration Committee (Slarc)'. Accessed 16/07/18 at <https://www.webarchive.org.uk/wayback/archive/20170104140818/http://www.gov.scot/Topics/Governmen t/local-government/localg/cllrsremuneration/SLARC>

¹⁵² *The Local Governance (Scotland) Act 2004 (Remuneration) Amendment Regulations 2017*

then, Stormont has been suspended on four occasions (February-May 2000; August 2001; September 2001; October 2002-May 2007; January 2017-present), raising questions as to the compensation for political work by Members of the Legislative Assembly (MLAs). The current suspension dates from January 2017 when the Deputy First Minister resigned which under the terms of the Good Friday Agreement meant that the First Minister could no longer hold office. This stalemate continued after elections to the Assembly in 2017. The Assembly met once after the election on 13 March 2017 confirming elected Members but has not met since. The term of the Independent Financial Review Panel, which determines MLA salaries and is appointed by the Assembly, ended in July 2016 and no successor panel was appointed.¹⁵³

Compensation for Members of the Northern Irish Assembly and Government Officials

The salary and allowances payable to MLAs were governed by Determinations issued by the Independent Financial Review Panel (the Panel) which was established under Section 2 of the Assembly Members (Independent Financial Review and Standards) Act (Northern Ireland) 2011 (the Act) and was in charge of determining the salaries, allowances and pensions payable to members of the Northern Ireland Assembly¹⁵⁴ Initially, the Northern Ireland Act 1998 had explicitly prevented the Assembly from delegating this authority, yet following the 2009 Expenses Scandal the self-regulation of salaries had become untenable and regulations were brought in line with solutions already adopted in Westminster, Wales and Scotland.¹⁵⁵

The salaries of MLAs was reduced by 77% of its then value of £41,321 to £31,817 for most of the period between 2002 and 2007 when the Assembly was suspended (and by 50% for six months in 2003). MLAs with special responsibilities, including the Speaker, Deputy Speaker, First and Deputy First Ministers and Ministers are allocated additional salaries. These and ordinary MLA salaries were set in 2016 at the following levels.¹⁵⁶

Table 8. Member of the Legislative Assembly, Annual Salary, 2016

Role	Annual Salary
Member of Legislative Assembly	£49,000

¹⁵³ 'Independent Financial Review Panel – Membership'. Accessed 16/07/18 at <http://ifrp.org.uk/membership/>

¹⁵⁴ 'Independent Financial Review Panel – Welcome. Accessed 16/07/18 at <http://ifrp.org.uk/>

¹⁵⁵ Commons Research Paper, Northern Ireland Assembly Members Bill [Lords] 2009-10 [Bill No 75 of 2009-10], No. 10/25 9 March 2010. Accessed 16/07/18 at www.researchbriefings.files.parliament.uk/documents/RP10-25/RP10-25.pdf

¹⁵⁶ Independent Financial Review Panel, *Assembly Members (Salaries and Expenses) Determination (Northern Ireland) 2016*. Accessed 16/07/18 at <http://ifrp.org.uk/wp-content/uploads/2016/03/Assembly-Members-Salaries-and-Expenses-Determination-Northern-Ireland-2016.pdf>

Member of Commission	£55,000
Chair of Statutory Committee or Public Accounts Committee	£61,000
Speaker	£87,000
Principal Deputy Speaker or Deputy Speaker	£55,000
First Ministr/Deputy First Minister	£121,000
Ministers	£87,000
Junior Minister	£55,000

Source: Northern Ireland Assembly, Salaries and Expenditure Rates 2016-2021¹⁵⁷

There were calls for alterations when the Assembly was suspended in January 2017. In November, James Brokenshire, the Secretary of State for Northern Ireland invited Trevor Reaney, a former Clerk of the Northern Ireland Assembly, to advise on the ‘most appropriate approach to the level of salaries, expenses and allowances for MLAs in the continued absence of devolved government’.¹⁵⁸ Brokenshire acknowledged that MLAs’ work is ‘not solely a legislative one and a core part of a member’s responsibility is representing their constituents’. Reaney reported in December 2017.¹⁵⁹ He noted that MLAs were unable to attend sittings of the Assembly, its committees and sub-committees and suspension had a significant impact on undertaking research and administrative functions related to Assembly business. He met representatives of all parties in the Assembly who informed him that MLAs were ‘diverting their unused time from parliamentary work to constituency work and that there is in many constituencies an increasing demand’.¹⁶⁰ In making the recommendations specified below, Reaney took account of the following:

- The level of responsibilities required in the current circumstances;
- The current workload of an MLA;
- The desirability of retaining the capacity to restore the Assembly and Executive as soon as possible;

¹⁵⁷ ‘Salaries and Expenditure Rates 2016-2021’. Niassembly.gov.uk. Northern Ireland Assembly. Accessed 16/07/18 at <http://www.niassembly.gov.uk/your-mlas/members-salaries-and-expenses/salaries-and-expenditure-rates-2016-2021/>.

¹⁵⁸ Brokenshire, James. Letter to Trevor Reaney. 12 Nov, 2017. Accessed 16/07/18 at https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/659476/mla_pay_letter_scanned.pdf

¹⁵⁹ ‘MLA pay advice recommendations’. Gov.uk. Northern Ireland Office. Accessed 16/07/18 at <https://www.gov.uk/government/news/mla-pay-advice-recommendations>

¹⁶⁰ Northern Ireland Office. Ibid. p.4

- The aim of dealing with the matter proportionately and of ensuring elected members are appropriately rewarded;
- The increasing public frustration with the non-functioning of the Assembly and Executive;
- The increasing difficulty of demonstrating value for money and justifying the full level of expenditure of public funds as set out in the current Determination; and
- The precedents set during the period of suspension from 2002 to 2007.¹⁶¹

Some of these roles could not be performed during the suspension of Stormont, while others could be, as MLAs noted, increased. Account had to be taken of changes in these roles. This led to the recommendation that the MLA salary should be reduced to 72.5% of its current level, implemented in two stages (15% cut immediately followed by a further 12.5% three months later). He also recommended that the existing arrangement whereby MLA salaries increased by £500 per annum (assuming that inflation had risen by at least 1%) should be suspended until the Assembly met again. He also recommended that there should be no more permanent appointments of MLA staff until the Assembly met again.

In January 2018, Karen Bradley replaced James Brokenshire as Secretary of State. In March she introduced the Northern Ireland Assembly Members (Pay) Bill and fast-tracked through Parliament.¹⁶² The proposed legislation gives the Secretary of State power to determine MLA salaries and allowances until the resumption of the Assembly with that power returning to the Secretary of State in the future if the Assembly is suspended. The legislation was given Royal Assent at the end of March 2018. The Secretary of State announced that there would be no annual inflationary increase in MLA salaries.¹⁶³ This means that MLA salaries for 2018 would remain as at the previous year of £49,500 per year.

Pensions for MLAs are set by the Assembly Commission, the corporate body of the Assembly, which is chaired by the Speaker with members from all Assembly parties. In 2009, it recommended that the accrual rate of final salary for each year of service should be 1/40th from April 2009. It also decided that the contribution MLAs made to the scheme should be increased making the proposed change ‘cost neutral’, with no additional contribution

¹⁶¹ Northern Ireland Office. Ibid, p.6

¹⁶² Sandford, Mark. *Northern Ireland Assembly Members (Pay) Bill, 2017-19*, House of Commons Library Briefing paper, No.08267

¹⁶³ *Assembly Members (Inflationary Increase to Salary) (Period when there is no Executive) Determination (Northern Ireland) 2018*. Accessed 16/07/18 at

http://www.niassembly.gov.uk/globalassets/documents/your_mlas/salaries-expenses/assembly-members-salary-determination-28-mar-18.pdf

anticipated from public funds. Further changes were made in April 2016 affecting existing members born after 1 April 1960 to introduce a career average revalued earnings scheme.¹⁶⁴

Local Government in Northern Ireland

The Local Government Act 1972 created initially 26 single-tier district councils. A Review of Public Administration (RPA) was launched in 2002 included a review of local government. This eventually led to agreement on reform to reduce the number of local authorities to 11 with additional responsibilities including covering housing, planning, local economic development, tourism, road and community development. The first elections to these new authorities took place in May 2014.

Local authorities are empowered to determine allowances payable to elected councillors. Each council makes an annual scheme of allowances covering a basic allowance; special responsibility allowances; dependants' carers allowance; and travel and subsistence. Records of all claims are held by councils and made available free of charge at any time to anyone. Councils are also obliged in law to publish the scheme of allowances.

In practice, councils adopted the same basic responsibility across Northern Ireland but differed in special responsibility allowances. Belfast City Council (the largest with a population of 340,200) paid an annual allowances from April 2015 of £14,200 with a total special responsibility of allowance of no more than £108,000 and no more than 50% of councillors able to receive a special responsibility allowances and no councillor could receive more than one special allowance. The Belfast Lord Provost received £34,900 from April 2005 and deputy received £6,250.¹⁶⁵ Armagh City, Banbridge and Craigavon Borough Council paid additional special responsibility allowances ranging from an additional £3,000, £6,000 and £8000 per year.¹⁶⁶ The same basic allowance was paid to councillors in Fermanagh and Omagh District Council, Northern Ireland's smallest council by population (116,300) with an additional responsibility which had allowances of £4,200 and £3,200 in 2015-16.¹⁶⁷

¹⁶⁴ *The Assembly Members Pension Scheme (NI) 2016*. Northern Ireland Assembly. Accessed 16/07/18 at http://www.niassembly.gov.uk/globalassets/documents/your_mlas/pension/pensionscheme2016-final2.pdf

¹⁶⁵ Belfast City Council, *Scheme of Allowances Payable to Councillors 2016/17*. Accessed 16/07/18 at <http://www.belfastcity.gov.uk/council/freedomofinformation/schemeofallowances.aspx>

¹⁶⁶ Armagh City, Banbridge and Craigavon Borough Council Table 1. Record of Councillors' Allowances funded by Council relating to the period 2015/2016.

¹⁶⁷ 'Councillors expenses'. Fermanagh and Omagh Council. Accessed 16/07/18 at <https://www.fermanaghomagh.com/your-council/councillors/councillors-expenses/>

Conclusion

Reflecting the asymmetrical devolution of powers in the UK, the regulation of political pay is highly complex, with each devolved government having its own pay, expenses and pension arrangements in place, including different regulations on the local level. Tables 9 and 10 give an overview across the categories discussed in this chapter for the UK and the regional levels. Table 9 shows that while the UK Prime Minister and Scottish First Minister receive the same salary, the salary of the Welsh First Minister is slightly lower, with the Northern Irish First Minister and Deputy First Minister (part of a dual executive) earning least.

Table 9. Salaries of Heads of Government in the UK

Country	Title	Salary
United Kingdom	Prime Minister	£152,819 ¹⁶⁸
Scotland	First Minister	£152,179 ¹⁶⁹
Wales	First Minister	£146,228 ¹⁷⁰
Northern Ireland	First Minister and Deputy First Minister (dual executive)	£122,000 ¹⁷¹

A similar picture emerges when comparing political pay across the range of resource categories as displayed in Table 10, with the UK level being best resourced and Northern Ireland least. Interestingly, despite Scotland having the most extensive competences, the Scottish base salary for parliamentarians is less generous than in Wales, as are provisions in some other categories.

As detailed in this chapter, the ‘Westminster expenses scandal’ has been a critical juncture in the regulation of political pay. It led to an extensive modernisation of the system for setting MPs pay and allowances, including the creation of new regulatory bodies on the UK and

¹⁶⁸ *Salaries of Members of Her Majesty’s Government from 9th June 2017*. Gov.uk. Accessed 16/07/18 at https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/629500/Salaries_of_Members_of_Her_Majesty_s_Government_from_1st_April_2017.pdf

¹⁶⁹ ‘Salaries from 1 April 2018’. *Parliament.scot*. Scottish Parliament. Accessed 16/07/18 at http://www.parliament.scot/Membersguidance/MSP_and_Office_Holders_Salaries_as_at_1_April_2018.pdf

¹⁷⁰ *Determination on Pay and Allowances 2018-2019*. Wales Remuneration Board. Accessed 16/07/18 at <http://www.senedd.assembly.wales/documents/s75196/Determination%20on%20Members%20Pay%20and%20Allowances%20-%20May%202018.pdf>

¹⁷¹ ‘Salaries and Expenditure Rates 2016-2021’. *Niassembly.gov.uk*. Northern Ireland Assembly. Accessed 16/07/18 at <http://www.niassembly.gov.uk/your-mlas/members-salaries-and-expenses/salaries-and-expenditure-rates-2016-2021/>.

regional level. As detailed earlier, Scotland was less affected by it than the other governments as reforms (themselves responses to controversies) had been implemented before. Overall, the contemporary system for compensation of political work in the UK has become much more robust from a comparative perspective. Interestingly, however, stronger regulation has generally not led to decreases in compensation.

Table 10. Remuneration and Expenses for UK Parliaments and Assemblies

Country	Chamber	Base Salary 2018-19	Additional for Office Holders?	Personal expenses	Additional Travel Expenses	Office Costs	Staff Budget
United Kingdom	House of Commons	£77,379 ¹⁷²	Yes	£3,820 – £22,760 ¹⁷³	Yes	£24,150 – 26,850 ¹⁷⁴	£150,900 – 161,550 ¹⁷⁵
	House of Lords	£0 ¹⁷⁶	Yes	£42,600 ¹⁷⁷	Yes	£0	£0
Scotland	Scottish Parliament	£62,149 ¹⁷⁸	Yes	£0 – £13,800 ¹⁷⁹	Yes	£17,900	£85,000
Wales	Welsh Assembly	£66,847 ¹⁸⁰	Yes	£0 – £9,300 ¹⁸¹	Yes	£4,912 – £18,260	£99,226
Northern Ireland	Northern Ireland Assembly	£50,000 ¹⁸²	Yes	£0	Yes ¹⁸³	£5,700 – £13,400 ¹⁸⁴	£50,000 ¹⁸⁵

¹⁷² IPSA, 'MPs' Pay and Pensions'. Accessed 24/04/2018 at <http://www.theipsa.org.uk/mp-costs/mps-pay-and-pensions/>

¹⁷³ High figure based on a non-London MP renting in London. Low figure based on a London MP receiving only the basic London Area Living Payment (LALP). For full details see IPSA, 'The Scheme of MPs' Business Costs and Expenses 2017-18' (2017) accessed 24/04/2018 at <http://www.theipsa.org.uk/media/184560/scheme-2017-18-version-41-post-8-june-election.pdf>, pp. 17, 22.

¹⁷⁴ High figure is for London, low figure for all other areas. For details see IPSA, 'Scheme of MPs' Business Costs and Expenses' Ibid. p. 24.

¹⁷⁵ High figure is for London, low figure for all other areas. For details see IPSA, 'Scheme of MPs' Business Costs and Expenses' Ibid. pp. 30-31.

¹⁷⁶ Parliament.uk, 'Members of the Lords: allowances', accessed 24/04/2018 at <https://www.parliament.uk/about/mps-and-lords/about-lords/lords-allowances/>

¹⁷⁷ Estimate of the maximum annual amount available from per diem rates for sitting days. Based on median sitting days per year, 2007-2017 (142) and on the higher rate of expense (£300 per day). See Parliament.uk, 'House of Lords expenses', accessed 24/04/2018 at <https://www.parliament.uk/business/lords/whos-in-the-house-of-lords/house-of-lords-expenses/>

¹⁷⁸ 'Salaries from 1 April 2018'. *Parliament.scot*. Scottish Parliament. Accessed 16/07/18 at http://www.parliament.scot/Membersguidance/MSP_and_Office_Holders_Salaries_as_at_1_April_2018.pdf

¹⁷⁹ *Scottish Parliament Total Members' Expenditure for 2015-16 and 2016-17*. Scottish Parliament. Accessed 16/07/18 at http://www.parliament.scot/Financeresources/members_expenditure_publication_info_2016-17.pdf

¹⁸⁰ *Determination on Pay and Allowances 2018-2019*. Wales Remuneration Board. Accessed 16/07/18 at <http://www.senedd.assembly.wales/documents/s75196/Determination%20on%20Members%20Pay%20and%20Allowances%20-%20May%202018.pdf>

¹⁸¹ 'FAQs on Members' allowance'. National Assembly for Wales. Accessed 16/07/18 at <http://www.assembly.wales/en/memhome/pay-expenses-financial-interests-standards/mem-expenses-2/Pages/mem-allowances-faq.aspx#rateallowances>

¹⁸² 'Salaries and Expenditure Rates 2016-2021'. *Niassembly.gov.uk*. Northern Ireland Assembly. Accessed 16/07/18 at <http://www.niassembly.gov.uk/your-mlas/members-salaries-and-expenses/salaries-and-expenditure-rates-2016-2021/>.

¹⁸³ *The Assembly Members (Salaries and Expenses) Determination (Northern Ireland) 2016 – Financial Support for Members Handbook*. Northern Ireland Assembly. May 2016. Accessed 16/07/18 at http://www.niassembly.gov.uk/globalassets/documents/your_mlas/financial-support-for-members-handbook-may-2016.pdf

¹⁸⁴ 'Constituency Office Expenses 2016-2021'. Northern Ireland Assembly. Accessed 16/07/18 at <http://www.niassembly.gov.uk/your-mlas/members-salaries-and-expenses/constituency-office-expenses-2016-2021/>

¹⁸⁵ *The Assembly Members (Salaries and Expenses) Determination (Northern Ireland) 2016 – Financial Support for Members Handbook*. Northern Ireland Assembly. May 2016. Accessed 16/07/18 at http://www.niassembly.gov.uk/globalassets/documents/your_mlas/financial-support-for-members-handbook-may-2016.pdf

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