

Speaker's Committee for the Independent Parliamentary Standards Authority

Oral evidence: IPSA's Main Estimate and Business Plan 2026-27

Tuesday 4 March 2026

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Members present: Sir Lindsay Hoyle (Chair); Sir Alan Campbell; Alberto Costa; Helena Dollimore; Marie Goldman; Charlotte Nichols; Jesse Norman.

Lay members present: Mary Curnock Cook CBE; Tina Fahm.

Questions 1-43

Witnesses

I: Richard Lloyd OBE, Chair, Independent Parliamentary Standards Authority; and Karen Walker, Chief Executive Officer, Independent Parliamentary Standards Authority.

Examination of witnesses

Witnesses: Richard Lloyd and Karen Walker.

Chair: Welcome to this meeting of the Speaker's Committee for the Independent Parliamentary Standards Authority. We are here today to consider IPSA's main estimate for 2026-27. Richard and Karen, could you introduce yourselves for the record?

Richard Lloyd: I am Richard Lloyd, the chair of IPSA.

Karen Walker: I am Karen Walker, the chief executive and accounting officer for IPSA.

Q1 **Chair:** Richard, will you open by giving us an overview of your main estimate for 2026-27 and the planning assumptions used?

Richard Lloyd: First, Mr Speaker, I thank you and the members of this Committee for your support in the past as we have changed the way that IPSA fulfils its statutory duties. We have ended the days of presuming that IPSA knows best how to support parliamentary activity. Our decisions are firmly based on the result of listening carefully to MPs and their staff. As you can see in our plan for the coming year, we are going to step up our moves to reduce the administrative burden on MPs' offices. IPSA is taking on more constituency office leases and more central procurement of the things that all MPs' offices need, simplifying the scheme of rules, clarifying the guidance and improving how we ask you to work with us online.

We are well aware that the Committee wants to discuss the biggest element of IPSA's proposed estimate for the coming year today. I want to take a minute to address that if I can. We have increased the staffing budget by nearly 80% since 2019, with four benchmarking exercises, from £103 million to £184 million this year. We have listened very carefully to the views of staff themselves and their representatives on how best we can do more. That is why our priority for staffing for the coming year is to improve the conditions of existing staff, including recognising that office managers are taking on responsibilities that in the past were carried out by MPs, and lifting the pay of caseworkers. We want to ensure that ringfenced funding is there for training and welfare.

This Parliament, we are seeing quite different patterns of employment, with some offices choosing to have 10 or more staff within the funding envelope we provide. We do not dictate how the budget is used, although of course there are wider implications when MPs employ that many people on part-time contracts. At the same time, we have been asked by some Members to provide an additional staff member for every office to help to meet demand. That would require an uplift to the budget of £26 million, rather than the £11.5 million we propose here. Other Members tell us that the headcount assumptions behind the present budgets are adequate. In other words, there is no consensus on a one-size-fits-all approach.

Parliament has also placed a statutory duty on us to ensure that our funding is spent cost-effectively, efficiently and transparently. That is why we have proposed a more tailored approach to the needs that we have been made aware of: a £7.7 million funding package to enable MPs to hire more staff to tackle backlogs and deal with local crises. That funding will be made available through a lighter-touch process than the previous contingency applications.

Turning to the demands on constituency offices, clearly it is for MPs to decide how to undertake their parliamentary duties, but we will do what we can to support them in managing their increasing caseloads. One thing that would help us to do that is for better data to be obtained. We have received some anecdotal evidence that there is more need, but that has not provided us with a clear view on how casework is defined. There is a surprisingly wide range of ways that demand is being responded to. We would now like to work with the House services to better evidence more precisely what the different needs are, assess working practices and find practical ways to enable offices to better manage demand.

I want to say directly to MPs' staff that IPSA hugely values what you do. We know that you are under pressure. We want to make it easier for you to do your job. The answer will not always be more resources but how those resources are used. But we hear you.

I would also like to put on record my thanks to Karen and all the staff at IPSA for developing a new way of working that puts first making it easier for MPs to do their parliamentary duties. They too are working extremely hard, and the budget for IPSA next year is once again flat in real terms.

I know that everyone here takes very seriously the Committee's role in scrutinising our budget. I ask the Committee to have at the front of your mind the twin duties that Parliament has given us.

Q2 Charlotte Nichols: What has been IPSA's rationale and basis for the levels of pay in '26-27 for MPs and MPs' staff, and likewise for your own IPSA staff and directors? You referenced in your earlier answer what MPs and offices have been telling you, but it strikes me that there has not been a formal process of consultation, so that has been anecdotal. Where do you derive the basis on which you make the estimate from?

Karen Walker: I will cover that. I will cover the MPs' increase first. The last time that IPSA reviewed the benchmarking for an MP's role was in 2013, so this has not been done for quite some time. Since then, the job has become a lot more demanding: there is rising casework and greater complexity, there are economic pressures driven by issues globally and more domestically, and obviously you are all experiencing increased safety risks too. From an MP's perspective, you also carry significant responsibilities of legislating, scrutinising Government and representing constituents in Parliament.

IPSA, as Richard highlighted, has a legal duty to review MPs' pay in each parliamentary term. We did an interim payment last year but, ahead of

the '26-27 decision, we carried out extensive public engagement and reviewed public sector pay data, economic conditions and international comparisons as well. We also had consultations on this with the public.

Benchmarking across similar senior UK roles—for example, a police superintendent, chief nurse, NHS consultant or army colonel—and pay for elected politicians in other democracies indicates that MPs' pay should be around £110,000 by the end of this Parliament, so it has fallen behind over time. As a first step, we have applied a 1.5% benchmarking uplift, and a 3.5% cost of living increase for '26-27, and future adjustments will reflect economic and fiscal conditions, and wider public experience. That approach ensures that MPs are fairly remunerated and that UK democracy is properly funded.

I will turn to MPs' staff. MPs' staff pay has been benchmarked four times since 2020, and decisions have been informed by inflation, public sector pay trends, market data, and feedback from MPs and their staff. There have been year-on-year increases to benchmarking and the cost of living. Since the 2024 election, casework has grown in volume and complexity, concerns have been raised about constituency and caseworker roles being undervalued. Turnover has also been high, particularly among caseworkers outside of London. For example, the new starting salary for an executive caseworker outside of London is now 33% higher than it was back in 2020.

Benchmarking from November 2025 has shown that most roles have fallen behind market rates. IPSA has increased pay range minimums and maximums by 5%, introduced a minimum pay policy above national living wage plus 3%, and applied a 2% uplift to executive 1 and 2 ranges, where those caseworker roles sit. To set the 3.5% cost of living increase, IPSA has reviewed inflation, earnings data and wider pay settlements, and all staff will receive at least 3.5%, unless opted out, with lower-paid staff benefiting more, due to those adjusted pay ranges. A small number of offices might struggle to fund that uplift and IPSA will provide support, though many offices do have the headroom in their budget.

The additional staffing support that Richard referenced is a ringfenced staff development fund of £4,000 per office—that is for health and wellbeing, and development; £7.7 million for a staffing support fund for temporary pressures; and increases to the disability staffing and MP absence budgets. Those decisions align with our commitment to funding UK democracy, and making sure that we pay fairly and are market-aligned for MPs and their staff. For IPSA staff, we applied a 3.5% cost of living increase to all staff.

Q3 Charlotte Nichols: To come back on MPs' staff pay and benchmarking, I am interested to know how you compared the rates of pay with other professions requiring similar skills. Which professions were looked at for context? A lot of roles within MPs' offices—particularly parliamentary assistants and so on—require degrees, so there are implications for student loan repayments, marginal tax and so on. How is that factored into the benchmarking?

Karen Walker: We map job descriptions to define criteria. We determine the right level and function, so we look across benchmarking data and at other roles. Then we set flexible pay ranges for each role. That allows you as MPs the flexibility to choose the role, the experience level and the salary as per your office needs. For such roles as an executive 1 caseworker, for example, we benchmark across comparable activities, so we have looked at administration, communications, casework and welfare support, events management, public affairs, neighbourhood projects, media work and public services. We compare market quartiles from our benchmarking tool, and we look at those across current IPSA pay ranges.

As I mentioned, that November 2025 data showed that most roles had fallen behind the market, so we are increasing all those pay range minimums and maximums by at least the 5%. Through the consultations that we did during 2025, we also set out plans for competency-based pay and progression frameworks to better support staff and make sure that salaries reflect skills and experience.

Q4 **Alberto Costa:** Good afternoon, and thank you very much for appearing before SCIPSA. I will make a declaration, Mr Speaker: Karen and I met a week or two ago to discuss some of the issues that I am about to raise. I thank Karen for having given her time to meet me.

This is a question for Karen. We have heard from MPs and Members' staff that, despite the proposed 7% increase in the coming fiscal year's budget, the staffing budget is insufficient to ensure adequate staff recruitment and retention to cope with the significant increase in MPs' workload and casework. You have touched on it in some of the answers you gave my colleague, but can you tell the Committee why you believe your estimate provides enough support for MPs' staff?

Karen Walker: Staffing budgets depend on the staffing mix that each MP chooses, including how many people the MP employs and where those staff sit within the ranges of pay. When setting those provisional budgets, the board discussed a focus on retaining existing staff and making sure of fair, market-aligned pay, particularly for the constituency and caseworker roles, which have historically been undervalued. Recent improvements include recognising past service, enhanced parental care and MP-to-MP staffing loans. MPs and staff have told us that workloads have increased since the last election and, while the '26-27 budget is not intended to fund an extra FTE in every office, we are introducing that £7.7 million staffing support fund to help those offices that are facing high demand.

Since '19-20, staffing budgets have grown by almost 8%, and that has been driven by additional headcount, certainly after the pandemic, and by IPSA's automatic cost of living increases. IPSA's account managers and payroll officers will be available to help offices plan and manage budgets, supported by House services, as well as the Members' HR advice team, for example. As noted earlier, we will support any office that struggles to afford the 3.5% uplift and the benchmarking adjustments, but those budgets overall, in aggregate, are still underspent. Last year, we offered additional support, but we got only nine requests.



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Richard Lloyd: One thing that is important to remember, Mr Speaker, as you very well know, is that we have tried to strike a very careful balance between providing a budget envelope and not intervening in the employment relationship between MP and staff. What we have done is propose a budget envelope that gives that headroom, but as Karen has said, there are many different approaches to numbers of staff and the pay that people have been put on, in particular in recent months. We have tried to find a compromise between a one-size-fits-all system and a recognition that there is local MP constituency office decision making to do.

We have also tried to obtain better information and hard data about the casework. That is why we want to work with the digital service, House HR and others to size up the problem better. We hear it, but we need better evidence. We think that in the flexible funding we are making available we have a good response to that need, but we want to explore what we can do in other ways to help manage the demand, in particular in terms of casework.

Q5 **Alberto Costa:** It is very welcome news that you are in listening mode and you are seeking further evidence. I think the Committee would greatly welcome that.

In respect of the health and wellbeing of staff, you did identify that the duty of care—the nexus between an MP's staff and MP—is not with the corporate body of the House of Commons, nor is it with IPSA; it is with the individual MP. I think one of my colleagues might ask a question on that. If an MP feels that their staff are working at capacity through no fault of the MP, given the amount of casework that the MP's team are having to deal with, how should the MP deal with that in order to discharge their duty of care towards their employees?

Karen Walker: I would encourage you to speak to your payroll support officer, so give us a call. Contact us. Let us have a look at the case, and we will apply additional funding where we believe that that is the right thing to do.

Q6 **Alberto Costa:** Lovely. As I mentioned, you came to my office, Karen, and we had a good meeting. I was very grateful for the follow-up letter that you sent, where you very helpfully identified the things that IPSA is undertaking. I would like to quote from that letter: "We released provisional MPs' staffing budget figures for the next financial year, pending approval by SCIPSA." What did you mean by that?

Karen Walker: At the point that we had our meeting last Monday, we decided that, with Mr Speaker's permission, it was right to share the provisional budgets, but they were always provisional until we met today.

Richard Lloyd: As you know, that is the process that we have to go through. It is now March; it is nearly the new financial year. What we have tried to do in recent years is to get that information out so that MPs and their office managers can start planning early. I was just talking to staff representatives outside; there is anxiety about this process and the



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uncertainty, but until we have had the estimate approved by the House on the recommendation of this Committee, we cannot say, "This is the budget for next year." What we can do is indicate that is what we are proposing.

- Q7 **Alberto Costa:** So when you said "pending approval by SCIPSA" in reference to the staffing budget figures that had been provisionally released, you were cognisant that you awaited this body's approval of the staffing budget as part of the overall estimate—is that correct?

Richard Lloyd: The role of your Committee, Mr Speaker, is to scrutinise the budget and, if you are satisfied with it, to lay it before the House. That is the clear constitutional arrangement, and that is in the Parliamentary Standards Act.

- Q8 **Chair:** Just to back that up, in fairness, quite rightly, staff of different organisations, whether union or non-union, have asked for the indication early in order for them to prepare their budgets. It was the response of IPSA, on behalf of MPs asking for that early indication, that it was brought forward. In fairness, the indication of how an MP spends their budget, in general terms, is up to the MP and the office manager. It is up to them to decide where the rises go as well. We have had cases in the past, and that is why we have tried to stop having too much flexibility, where the MPs were not passing on the pay rise. I will just say, in fairness, that IPSA has been responding to what MPs' staff have been requesting.

The indication is purely an indication. But once again, it is the staff, or office managers, who have been pushing for that, in order to try to work out the following year. I think that is the right thing to do and I hope that we will continue to ensure that there is an early indication across staff, so I hope you won't go away thinking that you should not provide that any more.

Richard Lloyd: We would like to provide the indication as early as we possibly can every year, Mr Speaker.

Chair: Thank you. That's good. Helena, please.

- Q9 **Helena Dollimore:** To echo colleagues, thanks to the IPSA team for a number of conversations that some of us have had with you in recent weeks. We appreciate the time you have taken in that regard.

I just wanted to ask a point of clarity on the IPSA budget—the internal IPSA costs budget. The IPSA staff costs have increased by 7.1%. That is made up of a 3.5% staff pay award for IPSA staff, and budget to hire additional staff in the commercial function of IPSA. Could you just clarify what those additional staff are for?

Karen Walker: I can, yes. It is two individuals. There is also an uplift, because we need some occupational pay cover for maternity leave.

We have created a professional commercial team of two individuals, because we want to centralise more services, in order to remove the administrative burden from MPs and their staff.

We have talked in previous years about the amount of administration that you need to do via the system. We would like to remove as much of that reimbursement and reconciliation activity as possible, so we are centralising services. We want to make sure that those services are professional and therefore we have hired commercial individuals with that background.

Chair: I think Jesse just wants to back you up on that point.

Q10 **Jesse Norman:** I was actually just coming on to a slightly related point on workload. I can do that, or I can follow Helena.

Chair: In that case, just follow Helena.

Richard Lloyd: Would you mind if I just add to Karen's point?

Chair: Please.

Richard Lloyd: Two additional heads in IPSA are there to help reduce the burden on offices. As Karen has said, we have kept IPSA's budget flat year in, year out since I have been the chair. There is an effort here to invest in reducing the administrative burden on MPs' offices, but that has meant that we have also kept our own budget flat.

Q11 **Helena Dollimore:** Thank you for that. Then, there is another point of clarity. Alberto just referenced a session of the Administration Committee at which evidence was taken from the health and wellbeing team. I will just quote from that. Tessa Munt, one of our colleagues, said that there was an IPSA meeting on 23 February; I believe that was a staffing budget drop-in session. I do not know if either of you were present at that.

Karen Walker: I led it.

Helena Dollimore: Right. The quote from that meeting is, apparently: "I would advise that all officers look at who they are responding to and prioritise. You do not need to reply to everyone." That quote has caused quite a lot of concern among the parliamentary community, both among Members and among Members' staff, because I think that many of us would take issue with it, and feel that we are here to respond to our constituents. I just wondered if you could clarify whether that is IPSA's approach and whether that is the approach that has informed the estimate that you have put before us.

Karen Walker: It is misquoted, unfortunately. I led the meeting and what I said was that you need to understand how you best respond to your constituents. I didn't say at any point that MPs should consider whether or not they replied to constituents; I asked people to consider how they replied and how they managed those workloads. That has been misquoted.

The meetings were quite supportive in terms of laying out more detail around what we are proposing in the budgets and how all the additional support is there to help. But also we proposed the working group that Richard referenced in his introduction, around helping to understand what is happening with the caseload currently and to seek the support of other



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House services—the Parliamentary Digital Service, the security team, the HR team and others—to have a look at how we can better support, through use of technology and combined full-time equivalent headcount, with managing some of the security, administration and so on.

- Q12 **Helena Dollimore:** We will come on to the scope of that committee shortly. But just so everyone is clear: IPSA is not advising MPs' offices that we should not reply to all emails from constituents.

Karen Walker: It is not. It is suggesting that we triage some of the responses to make sure we have the capacity to deal with the complex cases that come through. That is not suggesting for a minute that we do not respond.

Chair: On that point, Marie wants to come in as it is a colleague.

- Q13 **Marie Goldman:** I want to take slight issue with a couple of things you have just said. Karen, please forgive me, because this might come across as a bit harsh, and I know that IPSA is working incredibly hard in very difficult circumstances, and I would like to thank you for the work that you have done, but we need to be careful when we talk about being misquoted, because I think that was a direct quote. I have heard very, very similar things. What is important is not what words were said, but what was understood from those words that were said. I have heard feedback from several places that the implication from IPSA was that MPs should not respond necessarily to all of the correspondence from their constituents. You have just said as a point of clarification that we need to triage, which I do in my office—I certainly do triage—and triaging to me means that my constituents do receive a reply, but the speed of the reply depends on how they have been triaged.

I just want to be very clear that you are still saying we should always reply. But even if we prioritise some things over others, giving a reply still takes time. I want to make that exact point, because I certainly had that feedback through my party and through other places as well. I just want to make that very clear.

Karen Walker: Thank you.

- Q14 **Chair:** To help with clarification and to get this on the record, MPs run their offices and it is for MPs to decide how they deal with their casework and how they answer their casework. I am not being funny, but there might be a letter that you do not want to answer because of its offensive nature. The flexibility has got to be with the MP and the staff—I think we can all agree on that. Just a reassurance: there was never an indication or a misunderstanding—whichever, just so that we are sure—that the MPs will decide. The expectation is that they will answer the casework that it is appropriate to be answered.

Karen Walker: And that was the discussion. The prioritisation of that is with you.

- Q15 **Helena Dollimore:** The letter from Richard announces the deep dive into MPs' caseload numbers, complexity, volume and so on. Karen, could you

outline what the scope of that review will be?

Karen Walker: Sure. We would really like to gather more data and more information. We want to be able to support MPs where we can and collaborate with House services to make sure we are all doing the right thing in the right way. There might be some acceleration of activity already under way—for example, the digital office with the Parliamentary Digital Service and others. It could be that we look at some shared resource across offices to take out the administration burden of all of the security. Helena, you and I have discussed this. I do not think there is a particular limitation to that. It is more about collaboration across House services and IPSA to be able to support the management of the caseload and for us to understand, as Richard has already highlighted, the volume, the complexity and the data, and how we might better support that.

Richard Lloyd: May I make a point that I was trying to make earlier? As you have said, Mr Speaker, there is absolutely no intention by IPSA to dictate how an MP runs their office. We talk to many different offices, and some of our staff are former staffers of MPs, and we can see some very different practices. We can see ways that digital services can support the management of caseloads and the like. In the context of what we are hearing, it is absolutely right that we, with others—it is not solely a question of funding, staff contracts, pay bands or benchmarking—think about what tools we can fund, or, with digital services, make available to everyone, to help the practices that we see in offices that are managing their workloads in very different ways, and potentially make those available more broadly. This is about us exploring practical solutions to help MPs meet that demand, and at the same time understand better what that demand is.

If next year we said, “Mr Speaker, we would like to fund a particular kind of role, instead of another kind of role,” you would probably, quite rightly, ask us, “On what evidence have you based that?” At the moment, we have heard a lot of evidence about pleas for help, frankly, but we do not have that data across 650 MPs’ offices.

Q16 Helena Dollimore: An evidence base is needed, which I think everybody would agree on, but my question is: why are we only starting this process now, when an estimate has been laid before us? Why was this deep dive not done in the run-up to the estimate and forecast, to adequately assess the caseload and the demands? What is IPSA’s answer to that?

Richard Lloyd: We have been asking for evidence for—I would say this, as I have been doing it for seven years—probably seven years, although I know we have had a new Parliament since 2024. We have been speaking to staff reps, staff in groups, the wellbeing working group and so on. We have done a lot of outreach to understand what the pressures are on offices and staff. We visit offices and so on. What we have not been able to obtain—I have discussed this at very large meetings of Members in the past—is that evidence base across the 650 MPs. What we have done, though, is respond to a relatively small number of cases where MPs have said to us, “Can we have some additional funding this year?” From



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memory, 19 MPs have asked us for that—19 out of 650. Again, we have some evidence, and I think some very good input from staff reps and from the wellbeing working group, but that is different from us saying, “Parliament, we would like another £23 million, based on evidence across 650 offices.”

- Q17 **Helena Dollimore:** What is the formal forum for people feeding in that evidence ahead of the estimate, prior to today? Is that the staff working group or something else? Does it exist?

Richard Lloyd: I think twice this year, we have had board meetings with staff representatives. We have numerous meetings with MPs and office managers—Karen and her team are at the office managers’ meetings—and so on. These days, as I have said, we do not—as used to be the IPSA practice—make assumptions that we know what is going on in MPs’ offices. What that has not given us, though, is a systematic evidence base. We cannot do that alone—we need to do it with the House services.

- Q18 **Helena Dollimore:** I am conscious of time and that we need to move on, but has IPSA ever asked to access the back-end data from the Caseworker software, which most offices use and has clear numbers? It would not show you complexity, but it would show you the numbers.

Karen Walker: We have. To add to what Richard said, we did consultations that were open to the public and to all MPs and staff in February and October 2025, so we gathered some data there as well. We have been advised by one of the teams in the House that some of the data collected in Caseworker is not as accurate as it could be, so we need to validate the accuracy of the data that is coming through the Caseworker software, because people use it in different ways.

- Q19 **Helena Dollimore:** Okay. You referred earlier, in your opening statements, to the increasing security threats to both MPs and MPs’ staff, and to what they are dealing with. Often the staff on the frontline are picking up the phone in the constituency office alone, but there is a limit to what we can say in a public forum about that and about how day-to-day practices have changed as a result of the increasing threat to MPs. If that has been factored into IPSA’s decision about MP pay, how has it been factored into its decision about staffing budget proposals? My understanding from our discussions with Karen—I think it was mentioned in the announcement of the deep-dive review—is that the increased workload caused by additional security threats has never been factored into staffing considerations.

Richard Lloyd: My answer to that would be that it is implicitly part of an MP’s staff workload, absolutely. As I have said, when the board and senior team have met staff representatives, that has always been a theme. Of course we take that into account. What we have done in recent years, though, is move specific funding responsibility for certain security measures from IPSA into the central security funding budget.

So there are split responsibilities, and IPSA wants to work with the House authorities, including the security services, to better determine how we



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can use this public money to address that part of what MPs and their staff are on the receiving end of. We have ideas, and we have had plenty of positive discussions with some Members who are using certain tools—for example, digital tools. We have ideas about offices and the measures that we can support being put in place to make them more secure and safer. It is built into every decision that we make; we would be completely negligent if that were not the case. What we are saying now, though, is that it is time for all of us together to work on how we can address the root cause of that better, recognising that that is a source of pressure on staff and MPs.

Karen Walker: And we are not getting that data from all offices. Some are telling us how long people are spending on it; others are not.

Chair: We are going to try to capture that.

Q20 **Jesse Norman:** I have a quick question. Richard, IPSA was set up in 2009, and you have been there for seven years. Why is the online payment system so epically bad? It would have been bad in 2009. I am not surprised that anyone is facing concerns about workload, let alone mental stress, when they have to deal with something that is so amazingly incomprehensible and unhelpful. When are you going to fix it?

Richard Lloyd: I dislike people in my position saying, “I inherited an IT system,” but that is the case.

Q21 **Jesse Norman:** You have been there for seven years. Why have you not fixed it?

Richard Lloyd: It was brought into being in, I believe, 2018. That is when it went live. An investment had been made. I think you would also quite rightly challenge us if we were to put that investment to one side and at some cost. As we have tried to do over the years, not being the subject of an improved—or as far as we can within the constraints of the system—

Q22 **Jesse Norman:** You recognise the problem. When is it going to get fixed?

Richard Lloyd: We completely recognise the problem. We have put in our plan this year that there are three different ways that we are going to attack this issue. One is by changing the payment system, another is by giving MPs a much better online information system, and the third is by procuring a new back-office system. The difference this time is that we will not assume that we know what is best for MPs and office managers; we want to design that with MPs and office managers.

Jesse Norman: Thank you very much.

Q23 **Marie Goldman:** I have a quick follow-up question on data, and then I want to move on to talk about office costs. There is a type of data other than Caseworker, which is email volume. Karen and Richard have heard me talk about this in a different setting, so they will have to forgive me for asking this very direct question. Although we can look at campaigns and so on, email data is an indicator of the workload and the increased pressure on MPs’ offices, because at the end of the day somebody has to



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go through those inboxes. Have you asked the Parliamentary Digital Service to provide a comparison and empirical data on the email volume coming into MPs' inboxes? When was the first time that you asked for that information?

Karen Walker: We have been asking for it for quite some time, and we have struggled to get some of that data. I have been speaking to the Parliamentary Digital Service very recently to now say, "We need to work together on this." That is for all data—Caseworker and email data. We get differing volumes coming through from offices when we ask for the data. It is about the empirical evidence and the data. We will continue to work on that.

Q24 **Marie Goldman:** Just to be clear, you say "quite some time," but can you give us a better indication of how long that has been?

Karen Walker: I have been meeting the Parliamentary Digital Service on a monthly basis for probably the last three years.

Q25 **Marie Goldman:** Three years to get email volume data?

Karen Walker: Not just to get email volume data.

Q26 **Marie Goldman:** But one of the aims was to get email volume data. As somebody with an IT background, I can tell you that that is available in a report from the Exchange Online admin centre. I have to put on record that I struggle with how long that has taken. I do not think you have quite got there yet either, have you?

Karen Walker: No.

Q27 **Marie Goldman:** Right. I will move on to my questions about office costs and leases. Simply, what provisions does IPSA have in place to support Members with constituency offices that have high leases and rents due to their location? I am based in Chelmsford in Essex, and we suffer a little from being close to London. We therefore have high costs, but not the London weighting for office leases. What provisions have you put in place for that? Are Members in high-cost areas disadvantaged by having less funding for other essential functions, such as communicating with constituents?

Karen Walker: If you feel that your rent, service charges or business rates, or the VAT on those, is unaffordable, I again ask you to contact us. We have worked one on one with some offices that have struggled for the very reasons you outlined: their location and a lack of London weighting. We will review the spending, and agree any additional support and additional funding where needed, which may cover rent, business rates or VAT. We will assess each case holistically.

In future, we may want to consider a central budget for such things as business rates, because those vary wildly and impact the office cost budget differently across different constituencies. We need to do some further work on that.

Q28 **Marie Goldman:** I will just say that sometimes offices try and struggle to



stay within their budget, so they cut down on things that they might otherwise do. Other offices that have that extra budget or, for example, have cheaper rents do not have to struggle with or even think about that, and so do not constrain themselves. That may be something to think about. Offices do not always reach out because they do not know that they can or do not feel that it is appropriate, but that is not to say that they are not disadvantaged.

Karen Walker: I agree, and we can work on that, but 74% of MPs pay less than £15,000 a year in rent, which does leave more than £22,000 for office costs and areas where an MP might like to spend. But obviously 26% of MPs may have a different experience, and we would be very happy to work with offices on that.

Q29 **Marie Goldman:** That is great, thank you. Office budgets have increased by 3.2%, or £1.1 million—under resource subhead A, for those of you following along with the papers online—on top of £2.6 million capital funding for IPSA to trial centralising leases, which you mentioned just then. Is that enough to alleviate the office cost pressures that city centre MPs face? How will you prioritise which leases to centralise first?

Richard Lloyd: The first step with centralising is that everyone must agree. That is an obvious point.

Marie Goldman: What could possibly go wrong with that, then?

Richard Lloyd: Yes, what could possibly go wrong? The MP, the landlord and IPSA need to be satisfied that the arrangements are right, so that gives us an immediate way to prioritise. From what I see at the moment, there are still a small number of offices where rents are getting close to the limit of the budget, but most are not and are within budget.

The relationship that IPSA and our account managers now have with MPs allows for a more tailored approach to that conversation. In the past, as with all our budgets, it has been a case of one size fits all and that is it for the year. In the coming year—and we were quietly doing it in the previous year too—where we can see the need for IPSA to intervene or take on the lease, we absolutely will.

Karen Walker: In terms of prioritisation, there are a few things. We have set criteria on which to decide which leases to centralise, but as we have already spoken about, the MP and the landlord need to agree. We have had some landlords turn the proposition down. We will also prioritise offices needing intervention, such as people who have unsuitable space or who need to move now—we are dealing with some such cases now.

We also need to test whether this is a viable proposition and whether it is scalable for us. There are some leases we cannot take; for example, if MPs rent from their party or local association, or if a sublet agreement is in place, it is very complex legally for us to take those on.

We plan to test this approach across a wide range of locations and lease types, whether serviced or stand-alone, and whether short, medium or

longer-term. All properties will undergo building surveys and lease reviews. We will get some conveyancing, and MPs will need to sign a licence with IPSA to make sure that those lease terms are passed on to them as well. We are interested in taking on more and being able to then test the proposition fully.

- Q30 Mary Curnock Cook:** I want to understand a bit more about how you have arrived at the budgeted drawdown rate of 92%, particularly in view of recent history of not getting the estimate quite right and having to increase that. Can you tell us on what basis you have arrived at 92% and how confident you are that that will be sufficient? Also, what is the 100% based on? I am particularly interested in the £7.7 million central staffing fund. If somebody draws down on that, or you allocate some of that fund, is it possible that some offices will return 105% of their drawdown? How will you deal with that so that we have good visibility of how that fund is being used?

Karen Walker: The 92% drawdown reflects actual spending patterns for 2025 and 2026. With in-year expenditure—

- Q31 Mary Curnock Cook:** What is the current level that we have just agreed?

Karen Walker: Based on last year, we submitted an 89% to 90% drawdown.

Mary Curnock Cook: This is higher?

Karen Walker: This is higher. With in-year expenditure averaging around 90%, we think that 92% is a reasonable evidence-based assumption. In terms of the 100% figure, the main estimate at 92% drawdown assumption is £204 million. That is across accommodation, office and staffing budgets. If MPs spent 100% of their budgets, the total estimate required would be £225 million, so there is a £21 million difference between that 92% and the 100%.

- Q32 Mary Curnock Cook:** You said it was evidence-based, but the evidence is this year, which is a full year of all the new MPs and so on where, presumably, they were a bit more settled in their office arrangements and so on. That was 89% to 90%.

Karen Walker: Yes, for 2025-26. That was the first full year since the election.

Mary Curnock Cook: And that was 89%?

Karen Walker: Yes, and we are expecting—

- Q33 Mary Curnock Cook:** So what is the evidence for increasing the expected drawdown?

Karen Walker: It is based on the feedback that we have had through consultations with MPs and their staff and through conversations with SCIPSA Members previously. We have agreed to increase the drawdown rates to reflect the increase in spending patterns.

Mary Curnock Cook: So you would not expect to be coming back?

Karen Walker: All things being equal, we would not expect to be coming back. If something happens, we may need to create a supplementary.

Q34 **Mary Curnock Cook:** What was the answer about the £7.7 million?

Karen Walker: The £7.7 million is an IPSA fund, so it is not part of the staffing, accommodation and office cost budget. It is a centrally held fund, and we will fund separately out of that. There will not be a situation where, through the use of that fund, MPs will overspend above 100% of their budget.

Q35 **Mary Curnock Cook:** How much visibility will we have of how that is being spent? Also, for your training budget, you said there is £4,000 per office. Is there a danger that some people might feel that some offices are getting rewarded for not looking after their administration and business as well as other, more efficient offices that do not need to draw down on the £7.7 million fund?

Karen Walker: We will apply that £7.7 million where it is needed most and will publish a report every year on that staffing support fund. We will aggregate that spend. It is not going to be attributed to individual MPs—or that is one of the considerations that we are making—because we would like to understand what the needs are. That will help us with future planning. We will publish a report on how that £7.7 million has been spent at the end.

Richard Lloyd: If, when we report back, the Committee agree on that piece of work assessing workloads and what practical ways might help address those, it might be a good moment for us to update the Committee on the drawdown against that £7.7 million.

Q36 **Tina Fahm:** Good afternoon, Richard and Karen. I am going to ask some questions about IPSA's operational costs. Within subhead B, legal, professional and audit costs have increased by £324,000—increasing that budget fivefold. However, the memorandum does not explain that. What is behind that increase?

Karen Walker: It reflects higher NAO audit fees which have gone up because of issues with McCloud. There is support for the McCloud redress scheme within that budget along with additional internal audit work and the cost of the benchmarking tool that we use to benchmark MPs, their staff and IPSA roles. There are then some additional legal costs due because of the constituency office lease work, which is pretty complex. We are reviewing the balance. We have in-house legal counsel and are reviewing the balance of that with external legal support where more specific needs are found to ensure that it offers value for money as well. Overall, the changes result in a £325,000 increase on last year's expenditure.

Richard Lloyd: Again, that is within a flat real budget overall.

Q37 **Tina Fahm:** I also noted from subhead B that your consulting fee budget



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is more or less the same as the previous year. Are you expecting costs to accrue there?

Karen Walker: Returning to Jesse's question, we are doing a discovery exercise with the new system and that takes consultancy. There are less than 100 people who work within IPSA. We would rather rely on some external consultancy than buy in that resource on a permanent basis.

Q38 **Tina Fahm:** Sticking with operational costs, the "improving customer service" project budget has increased by £155,000—an around 70% increase. Meanwhile, the "simplifying policy" project has decreased by £443,000—an around 89% decrease. What is behind that?

Karen Walker: The "improving customer service" project includes £125,000 to upgrade our online services. For example, the current website is outdated and there are accessibility issues, so we need to upgrade it. It is now about six or seven years old. We also want to provide clearer guidance for MPs and their staff. There is an additional £30,000 that starts the roll-out of centralised services to reduce that reimbursement process. We will start with centralised broadband and later come to utilities and other services as well. The "simplify policy" project reduces because McCloud reliance and related project work has now been completed. There is also a reduction in some of the staff pay and conditions budget as well because we have completed pieces of work. For example, the £35,000 statutory review of MPs' pay is now removed from that work because we have completed it.

Q39 **Mary Curnock Cook:** To build on that, I am not sure I quite understand this. Jesse was very eloquent about IPSA Online and you said that you are replacing it and having a new ERP system and so on. I could not see that in the budget, and you had a zero for major projects. Is that being covered with your "improving customer service" budget? It feels like it might be a bigger problem than is allowed for in the budget.

Karen Walker: It is not in the budget because we are not ready to implement a new system yet. We need to do a big piece of work to align our current systems. With the integration of those, we are now discovering what system might be more appropriate and co-designing.

Q40 **Mary Curnock Cook:** Did the chair not answer Jesse's question by saying you were doing this?

Richard Lloyd: I said we are doing three things: first, making our online content to support MPs clearer; secondly, a payment system implementation; and thirdly, a new back-office system. But we will do those things in the right sequence and having done the discovery process.

Mary Curnock Cook: It will not all be implemented in time.

Richard Lloyd: If we were to try to do all of that in one year, it would probably not be wise.

Mary Curnock Cook: I agree. So that is why it is not budgeted for implementation.



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Q41 **Helena Dollimore:** On the central staffing fund that has been referred to, how will it be managed in practice? Who makes decisions and how is it managed? It is my understanding that anybody using that fund would have to employ people only on a temporary, fixed-term contract. Is that correct?

Karen Walker: The budget will be managed. The decisions on that staffing support fund will be based on need, focusing on officers, to manage short-term workload pressures, rather than providing ongoing support and resource. We would ask and encourage people to speak to their payroll services officer, who will assess the situation and determine what help is appropriate. Requests will be considered on a case-by-case basis, but will take into account each officer's circumstances, budget impact and long-term plan. We will have conversations with officers who believe that they need that support. When we say short-term resources, that could be six or nine months, if that is what is required to help with emergencies or demand that has increased with backlogs.

Q42 **Helena Dollimore:** Will there be a rule that the contracts with staff employed through that extra support have to be temporary contracts?

Karen Walker: It would likely be temporary work and temporary contracts, rather than full-time equivalents, but it depends on the mix of your existing staff and budget as well.

Q43 **Chair:** So you would deal with each office on a case-by-case basis?

Karen Walker: We would, yes.

Chair: Okay. That is worth knowing. That concludes this public evidence session. Thank you, Richard and Karen, for joining us.