



HM Treasury, 1 Horse Guards Road, London, SW1A 2HQ

The Rt Hon Sir Lindsay Hoyle MP
Speaker of the House of Commons
Houses of Parliament
London
SW1A 0AA

27 February 2026

Dear Sir Lindsay,

IPSA MAIN ESTIMATES 2026-27

1. My officials have advised me on the Independent Parliamentary Standards Authority (IPSA) Estimates for 2026-27. IPSA are seeking a £23 million Resource DEL increase in 2026-27 compared to Supplementary Estimates 2025-26 (£316 million compared to £293 million). This equates to around a 5% real terms uplift, which is higher than most Government departments over the same period.
2. I recognise that the IPSA budgets are unique, and that HMT's role in setting those budgets is to advise on what the HMT response would be if this funding request came from a normal government department. In that scenario, HMT would seek to understand the business case for this funding, as well as reassurance that all possible efficiencies and reprioritisation had been taken to minimise the size of this uplift.

MPs' pay

3. IPSA propose to give MPs a 5% pay award in 2026-27. This would be significantly higher than ONS wage forecasts across the whole economy (3.2%) and the OBR's inflation forecast (2.2%) for 2026-27. It would also outpace other public sector workforce pay uplifts for 2026-27, such as the recently announced 3.3% headline pay award for nursing staff.



4. I am not aware of any issues being identified for MPs that would offer a potential justification of this pay award, and HMT would therefore reject this pay award request if it came from a government department.

Yours sincerely,

A handwritten signature in dark ink, appearing to be 'J Murray', written in a cursive style.

RT HON JAMES MURRAY MP
CHIEF SECRETARY TO THE TREASURY