

# Parliamentary Standards Act 2009

#### **2009 CHAPTER 13**

#### Introductory

# 1 Bill of Rights

Nothing in this Act shall be construed by any court in the United Kingdom as affecting Article IX of the Bill of Rights 1689.

# 2 House of Lords

- (1) Nothing in this Act shall affect the House of Lords.
- (2) But that is subject to—
  - (a) section 15(5),
  - (b) paragraphs 5(3) and (4), 16(2), 22(1), 24(2)(b) and 25(1) of Schedule 1, and
  - (c) paragraphs 4(2) and 8(1) of Schedule 2.

Independent Parliamentary Standards Authority etc

# 3 Independent Parliamentary Standards Authority etc

- (1) There is to be a body corporate known as the Independent Parliamentary Standards Authority ("IPSA").
- (2) Schedule 1 (which makes provision about the IPSA, and in particular provides for its administration functions to be carried out by its chief executive in accordance with paragraph 17 of that Schedule) has effect.
- (3) There is to be an officer known as the Commissioner for Parliamentary Investigations ("the Commissioner").
- (4) Schedule 2 (which makes provision about the Commissioner) has effect.
- (5) There is to be a committee known as the Speaker's Committee for the Independent Parliamentary Standards Authority ("the Committee").

(6) Schedule 3 (which makes provision about the Committee) has effect.

## Salaries and allowances for MPs

#### 4 MPs' salaries

- (1) The IPSA is to pay the salaries of members of the House of Commons in accordance with the relevant resolutions of the House.
- (2) That is subject to anything done in exercise of the disciplinary powers of the House.

#### 5 MPs' allowances scheme

- (1) The IPSA is to pay allowances to members of the House of Commons in accordance with the MPs' allowances scheme.
- (2) In this Act "the MPs' allowances scheme" means the scheme prepared under this section as it is in effect for the time being.
- (3) The IPSA must—
  - (a) prepare the scheme;
  - (b) review the scheme regularly and revise it as appropriate.
- (4) In preparing or revising the scheme, the IPSA must consult—
  - (a) the Speaker of the House of Commons,
  - (b) the Committee on Standards in Public Life,
  - (c) the Leader of the House of Commons,
  - (d) any committee of the House of Commons nominated by the Speaker,
  - (e) members of the House of Commons,
  - (f) the Review Body on Senior Salaries,
  - (g) Her Majesty's Revenue and Customs,
  - (h) the Treasury, and
  - (i) any other person the IPSA considers appropriate.
- (5) The Speaker must lay the scheme (or revision) before the House of Commons.
- (6) The scheme (or revision) comes into effect on the date specified in the scheme (or revision).
- (7) The scheme may, for example—
  - (a) provide for allowances to be payable in respect of specified kinds of expenditure or in specified circumstances;
  - (b) provide for allowances to be payable only on specified conditions (such as a condition that claims for allowances must be supported by documentary evidence);
  - (c) impose limits on the amounts that may be paid.
- (8) The scheme may provide for allowances to be payable in connection with a person's ceasing to be a member of the House of Commons; and references in this Act to the payment of an allowance to a member are to be read accordingly.

- (9) This section does not affect the provision of pensions for or in respect of persons with service as a member of the House of Commons (see the Parliamentary and other Pensions Act 1987 (c. 45)).
- (10) In section 3A(1) of the European Parliament (Pay and Pensions) Act 1979 (c. 50) (power to make order aligning MEPs' resettlement grants with MPs' resettlement grants), after "resolutions of the House of Commons" insert ", or a scheme under section 5 of the Parliamentary Standards Act 2009,".

# 6 Dealing with claims under the scheme

- (1) No allowance is to be paid to a member of the House of Commons under the MPs' allowances scheme unless a claim for the allowance has been made to the IPSA.
- (2) The claim must be made by the member (except where the scheme provides otherwise).
- (3) On receipt of a claim, the IPSA must—
  - (a) determine whether to allow or refuse the claim, and
  - (b) if it is allowed, determine how much of the amount claimed is to be allowed and pay it accordingly.
- (4) Subsection (5) applies if—
  - (a) the IPSA determines that a claim is to be refused or that only part of the amount claimed is to be allowed, and
  - (b) the member asks the IPSA to review the determination.
- (5) If this subsection applies, the IPSA must—
  - (a) review whether the determination was properly made, and
  - (b) in light of that review, decide whether or not to confirm or alter the determination (and any necessary adjustments are to be made accordingly).
- (6) The MPs' allowances scheme may include—
  - (a) further provision about how claims are to be dealt with;
  - (b) provision about deducting from payments of allowances amounts that a member is to repay.
- (7) The scheme may provide for an allowance to which a member is entitled under the scheme to be paid to another person at the member's direction; and references in this Act to the payment of an allowance to a member are to be read accordingly.

# 7 Information and guidance about taxation

- (1) The IPSA must provide to members of the House of Commons—
  - (a) details of any general information or guidance about taxation issues published by HMRC that it considers they should be aware of, and
  - (b) any other general information or guidance about taxation issues that it considers appropriate (consulting HMRC for this purpose as it considers appropriate).
- (2) "Taxation issues" means—
  - (a) issues about the taxation of salaries payable under section 4 and allowances payable under the MPs' allowances scheme, and

- (b) any other issues about taxation arising in connection with those salaries and allowances.
- (3) "HMRC" means Her Majesty's Revenue and Customs.

MPs' code of conduct relating to financial interests

# 8 MPs' code of conduct relating to financial interests

- (1) The IPSA must prepare a code to be observed by members of the House of Commons, the content of which is provision made by virtue of subsections (7) and (8).
- (2) In this Act "the MPs' code of conduct relating to financial interests" means the code prepared under this section as it is in effect for the time being.
- (3) The IPSA must review the code regularly and revise it as appropriate.
- (4) In preparing or revising the code, the IPSA must consult—
  - (a) the Speaker of the House of Commons,
  - (b) the Leader of the House of Commons,
  - (c) the House of Commons Committee on Standards and Privileges,
  - (d) members of the House of Commons, and
  - (e) any other person the IPSA considers appropriate.
- (5) The Speaker must lay the code (or revision) before the House of Commons.
- (6) The code (or revision) does not come into effect until it is approved by a resolution of the House of Commons.
- (7) The code must require members to register specified information about specified financial interests in a register maintained by the IPSA.
- (8) The code must prohibit a member from—
  - (a) by any specified means, advocating or initiating any cause or matter on behalf of any person in consideration of any specified payment or specified benefit in kind, or
  - (b) in consideration of any specified payment or specified benefit in kind, urging any other member to advocate or initiate, by any specified means, any cause or matter on behalf of any person.
- (9) The IPSA must publish the register mentioned in subsection (7) in a way it considers appropriate.
- (10) In this section "financial interest" includes—
  - (a) a benefit in kind;
  - (b) an indirect financial interest (such as a financial interest of a member of the family of the member concerned).
- (11) In this section references to a payment or a benefit in kind include references—
  - (a) to a payment or benefit in kind to any person;
  - (b) to an offer or agreement to make a payment or provide a benefit in kind.

## Investigation and enforcement

# 9 Investigations

- (1) The Commissioner may conduct an investigation if the Commissioner has reason to believe that a member of the House of Commons—
  - (a) may have been paid an amount under the MPs' allowances scheme that should not have been allowed, or
  - (b) may have failed to comply with a requirement included by virtue of section 8(7) (registration of interests) in the MPs' code of conduct relating to financial interests.
- (2) An investigation may be conducted—
  - (a) on the Commissioner's own initiative,
  - (b) at the request of the member, or
  - (c) in response to a complaint by an individual.
- (3) For the purposes of an investigation, the IPSA must provide the Commissioner with any information the Commissioner reasonably requires.
- (4) If, after conducting an investigation, the Commissioner finds that the member was paid an amount under the scheme that should not have been allowed, the Commissioner must refer the Commissioner's findings to the House of Commons Committee on Standards and Privileges.
- (5) But the Commissioner need not refer the findings if—
  - (a) the member accepts the findings,
  - (b) such other conditions as may be specified by the IPSA are, in the Commissioner's view, met in relation to the case, and
  - (c) the member repays to the IPSA, in such manner and within such period as the Commissioner considers reasonable, such amount as the Commissioner considers reasonable.
- (6) If, after conducting an investigation, the Commissioner finds that the member failed to comply with a requirement included in the code by virtue of section 8(7), the Commissioner must refer the Commissioner's findings to the Committee on Standards and Privileges.
- (7) But the Commissioner need not refer the findings if—
  - (a) the member accepts the findings,
  - (b) the Commissioner considers that the financial interest concerned was minor or that the failure was inadvertent,
  - (c) such other conditions as may be specified by the IPSA are, in the Commissioner's view, met in relation to the case, and
  - (d) the member takes any steps required by the Commissioner to correct the register.
- (8) If the Commissioner finds that a member who is the subject of an investigation has not provided the Commissioner with information the Commissioner reasonably requires for the purposes of the investigation, the Commissioner may refer the finding to the Committee on Standards and Privileges.
- (9) The IPSA must determine—

- (a) procedures in relation to investigations under subsection (1);
- (b) procedures in relation to complaints under subsection (2)(c);
- (c) procedures in relation to the circumstances in which the Commissioner's findings are to be published.
- (10) In determining the procedures or any conditions under subsection (5)(b) or (7)(c), the IPSA must consult—
  - (a) the Leader of the House of Commons,
  - (b) the House of Commons Committee on Standards and Privileges,
  - (c) the Commissioner, and
  - (d) any other person the IPSA considers appropriate.
- (11) The procedures must be fair and, in particular, provide a member who is the subject of an investigation or complaint with an opportunity—
  - (a) to make representations to the Commissioner about the investigation or complaint;
  - (b) to make representations to the Commissioner, before the Commissioner's findings are referred to the Committee on Standards and Privileges, about the findings.
- (12) Procedures by virtue of subsection (11)(a) must include—
  - (a) an opportunity to be heard in person;
  - (b) an opportunity, where the Commissioner considers it appropriate, to call and examine witnesses.

## 10 Offence of providing false or misleading information for allowances claims

- (1) A member of the House of Commons commits an offence if the member—
  - (a) makes a claim under the MPs' allowances scheme, and
  - (b) provides information for the purposes of the claim that the member knows to be false or misleading in a material respect.
- (2) A person guilty of an offence under subsection (1) is liable—
  - (a) on summary conviction, to imprisonment for a term not exceeding 12 months or to a fine not exceeding the statutory maximum or to both;
  - (b) on conviction on indictment, to imprisonment for a term not exceeding 12 months or to a fine or to both.
- (3) In the application of this section—
  - (a) in England and Wales, in relation to an offence committed before the commencement of section 154(1) of the Criminal Justice Act 2003 (c. 44), or
  - (b) in Northern Ireland,

the reference in subsection (2)(a) to 12 months is to be read as a reference to 6 months.

# Final provisions

#### 11 Further functions of the IPSA and Commissioner

(1) The Speaker, after consulting the Commissioner and the House of Commons Committee on Standards and Privileges, may agree with the IPSA that the IPSA is to

carry out any registration function specified in the agreement (whether relating to a matter arising before or after the agreement is made or the date this Act is passed).

- (2) The IPSA is to carry out the registration function accordingly.
- (3) "Registration function" means a function—
  - (a) which is a function of the Parliamentary Commissioner for Standards on the date this Act is passed,
  - (b) which relates to registration, and
  - (c) which the IPSA could not carry out under any other provision of this Act.
- (4) The Speaker, after consulting the IPSA and the House of Commons Committee on Standards and Privileges, may agree with the Commissioner that the Commissioner is to carry out any relevant function specified in the agreement (whether relating to a matter arising before or after the agreement is made or the date this Act is passed).
- (5) The Commissioner is to carry out the relevant function accordingly.
- (6) "Relevant function" means a function—
  - (a) which is a function of the Parliamentary Commissioner for Standards on the date this Act is passed, and
  - (b) which the Commissioner could not carry out under any other provision of this Act.
- (7) The Speaker must lay an agreement under subsection (1) or (4) before the House of Commons.
- (8) The agreement does not come into effect until it is approved by a resolution of the House of Commons.
- (9) In this section "the Speaker" means the Speaker of the House of Commons.

## 12 Interpretation

(1) In this Act—

"the Commissioner" has the meaning given by section 3(3);

"IPSA" has the meaning given by section 3(1);

"the Leader of the House of Commons" means the Minister of the Crown who is for the time being designated as Leader of the House of Commons by the Prime Minister;

"Minister of the Crown" has the same meaning as in the Ministers of the Crown Act 1975 (c. 26);

"the MPs' allowances scheme" has the meaning given by section 5(2);

"the MPs' code of conduct relating to financial interests" has the meaning given by section 8(2);

"specified" includes of a specified description.

- (2) In this Act any reference to a particular committee of the House of Commons—
  - (a) if the name of the committee is changed, is to be treated as a reference to the committee by its new name, and
  - (b) if the functions of the committee (or substantially corresponding functions) become functions of a different committee of that House, is to be treated as a reference to the committee by which those functions are exercisable.

- (3) In this Act any reference to the Committee on Standards in Public Life or to the Review Body on Senior Salaries—
  - (a) if the name of the body is changed, is to be treated as a reference to the body by its new name, and
  - (b) if the functions of the body (or substantially corresponding functions) become functions of a different body, is to be treated as a reference to the body by which those functions are exercisable.
- (4) Any question arising under subsection (2) or (3) is to be determined by the Speaker of the House of Commons.

## 13 Power to make transitional etc provision

- (1) A Minister of the Crown may by order make supplementary, incidental, transitional, transitory or saving provision in connection with this Act.
- (2) An order under this section may provide—
  - (a) that the House of Commons' rules about members' allowances have effect for specified purposes as if contained in a scheme under section 5,
  - (b) that its rules about the registration of members' interests have effect for specified purposes as if included by virtue of section 8(7) in the MPs' code of conduct relating to financial interests, and
  - (c) that its rules about the matters mentioned in section 8(8) have effect for specified purposes as if included by virtue of section 8(8) in the MPs' code of conduct relating to financial interests.
- (3) The purposes which may be specified do not include the purposes of section 10 (offence of providing false or misleading information for allowances claims).
- (4) The order may provide for references in the rules to an officer or committee of the House of Commons to have effect as references to the Commissioner or the IPSA.
- (5) An order under this section may provide that payments of allowances made to a member of the House of Commons, to which the member was not entitled under the rules mentioned in subsection (2)(a), may be set off against other claims for allowances to be paid to that member.
- (6) An order under this section may provide—
  - (a) for the employment of persons of a specified description who are employed in connection with matters dealt with by the rules to be transferred to the IPSA by a scheme,
  - (b) for specified property, rights and liabilities which subsist wholly or mainly for the purposes of the House of Commons to be transferred to the IPSA by a scheme, and
  - (c) for specified documents and information held by or on behalf of the House of Commons (or an officer or committee of that House) to be transferred to the Commissioner or the IPSA.
- (7) A scheme made by virtue of subsection (6) is to be made by a Minister of the Crown with the consent of the person who chairs the House of Commons Commission.
- (8) An order under this section is to be made by statutory instrument.

- (9) A statutory instrument containing an order under this section may not be made unless a draft of the instrument has been laid before and approved by a resolution of the House of Commons.
- (10) In this section—

"the rules" means the rules of the House of Commons mentioned in subsection (2),

"rules" includes resolutions, standing orders, codes, schemes and guidance.

#### 14 Short title and commencement

- (1) This Act may be cited as the Parliamentary Standards Act 2009.
- (2) The following provisions of this Act come into force on the day it is passed—
  - (a) section 12;
  - (b) section 13;
  - (c) this section;
  - (d) section 15.
- (3) The other provisions come into force on the day appointed by a Minister of the Crown by order made by statutory instrument; and different days may be appointed for different purposes.

#### 15 Expiry of provisions of the Act

- (1) The relevant provisions shall expire at the end of the period of two years starting with the day on which section 8 comes into force ("the effective period").
- (2) The relevant provisions are sections 3(3) and (4) and 8 to 11 (and Schedule 2).
- (3) But a Minister of the Crown may by order extend, or (on one or more occasions) further extend, the effective period.
- (4) An order under subsection (3)—
  - (a) is to be made by statutory instrument,
  - (b) must be made before the time when the effective period would end but for the making of the order, and
  - (c) shall have the effect of extending, or further extending, that period for the period of two years beginning with that time.
- (5) A statutory instrument containing an order under subsection (3) may not be made unless a draft of the instrument has been laid before and approved by a resolution of each House of Parliament.