

Ref: FOI315884

John Anderson

(by email only: request-95657-ff8e89f1@whatdotheyknow.com)

20 December 2011

Dear Mr Anderson,

FREEDOM OF INFORMATION ACT 2000

Thank you for your request for information about the following:

1. What percentage of an MP's salary goes to paying their pension contribution?
2. For 2009, 2010 and the remainder of 2011 what was the average annual pension for an MP?
3. Is this a Final Salary Scheme or a career average scheme as proposed by the Tory Government?
4. As MPs are also Public sector workers will their pensions be brought into line with any career average scheme imposed by this government?

The Cabinet Office received your request on 03 December 2011. I have dealt with it under the terms of the Freedom of Information Act.

The information which you requested is already available in the public domain in statements made to the House of Commons. However, you may find the following information of interest:

The Independent Parliamentary Standards Authority (IPSA) has now assumed responsibility for determining and administering the pension scheme for MPs.

The Government transferred responsibility to the independent regulator after the House of Commons resolved unanimously that it supported the approach to public service pension reform set out in the final report of the Independent Public Service Pension Commission chaired by Lord Hutton of Furness (the Hutton Report). It also resolved that IPSA should introduce, by 2015, a new pension scheme for Hon. Members which is informed by the Commission's findings and their subsequent application to other public service pension schemes. The Leader of the House of Commons formally made the transfer on 24 October 2011.



The resolution of the House also invited the IPSA to increase contribution rates for MPs from 1 April 2012, in line with changes in pension contribution rates for other public service schemes. It is now for IPSA to bring forward proposals for the fundamental reform of MPs' pensions.

Members' current contribution rates range from 5.9% to 11.9% depending on the accrual rate.

I can confirm that members' pensions are covered by the Pensions (Increase) Act and therefore will be linked to CPI.

The normal retirement age in the Parliamentary Contributory Pension Fund is 65, although a member can only draw their pension if they have ceased to be an MP. The retirement age will be something IPSA will wish to consider when redesigning the scheme

Any information on the current scheme for MPs' pensions can be found at www.parliament.uk/briefing-papers/SN01844 in a House of Commons Library Note.

If you have any queries about this letter, please contact me. Please remember to quote the reference number above in any future communications.

If you are unhappy with the service you have received in relation to your request or wish to request an internal review, you should write to:

Roger Smethurst
Head of Knowledge and Information Management Unit
Admiralty Arch
North Entrance
The Mall
LONDON SW1A 2WH

email: foiteam@cabinet-office.x.gsi.gov.uk

If you are not content with the outcome of your internal review, you may apply directly to the Information Commissioner for a decision. Generally, the Commissioner cannot make a decision unless you have exhausted the complaints procedure provided by Cabinet Office. The Information Commissioner can be contacted at:

The Information Commissioner's Office
Wycliffe House
Water Lane
Wilmslow
Cheshire
SK9 5AF

Yours sincerely,

Mike Winter