



HOUSE OF LORDS

Financial support for Members: briefing note

Eligibility

Members of the House of Lords, unlike MPs in the Commons, are unsalaried. They do not receive salaries or other employment benefits, including pensions. There are two exceptions: a few office holders receive a salary, and some Ministers receive a salary from the Government for their Government roles. Attendance at the House of Lords is voluntary, but Members who do not receive a salary are eligible to receive allowances and, within certain limits, some travel expenses they incur in fulfilling their parliamentary duties. Members who receive a Ministerial or Office Holders' salary are not entitled to claim the allowances based on attendance.

Daily Allowance

Members of the House of Lords who are not paid a salary may claim a daily allowance of £323 (or may elect to claim a reduced daily allowance of £162) for each day if House of Lords records show that Members attended a sitting of the House that day or undertook qualifying work away from Westminster. It is for the individual Member to decide whether a claim for the daily allowance is made at the full rate, the reduced rate or not claimed at all.

From 6 September 2021 proceedings of the House largely returned to in-person sittings with most previous rules applying. Attendance in the Chamber, or at a Grand Committee, is eligible for the daily allowance (£323). Attending a Committee of the House, which may still be virtual, is also eligible for the daily allowance (£323). The supplementary allowance introduced in September 2020 for some Members no longer applies.

For previous updates to the scheme please refer to earlier briefing notes.

Attendance Travel Costs

In addition to the daily allowance Members are also entitled to claim travel costs to and from their registered residential address for certain parliamentary business.

Administration of the system

The House of Lords' Commission sets the rules. The rules are given to every Member and set out in the "*Guide to financial support for Members*" which is available online at:

<https://www.parliament.uk/globalassets/documents/lords-finance-office/2021-22/members-guide-sept2021.pdf>

The House of Lords Finance Department administers the system and checks claims against records of attendance and registered residential address. Claims made outside the rules are rejected. Any abuses are dealt with under the system set out in the Code of Conduct. The National Audit Office audits the House of Lords' Annual Report and Resource Accounts each year.

Are the payments taxable?

No. Membership of the House of Lords is neither an office nor employment and therefore payments are not liable for income tax. This was confirmed independently by the Senior Salaries Review Body (SSRB).