

CONSTITUTIONAL REFORM AND GOVERNANCE ACT 2010

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Section 39: Resettlement grants for MEPs

217. *Section 39* substitutes for the current section 3(1) to (3) of the European Parliament (Pay and Pensions) Act 1979 (“the 1979 Act”), new subsections (1) to (3D). The existing provisions set out the amount payable in the form of a resettlement grant to former MEPs.
218. New section 3(1) of the 1979 Act provides for the IPSA to make a scheme for the paying of an allowance, to those eligible, when they cease to be a MEP.
219. New section 3(2) provides that the IPSA may only make such a scheme if a scheme made under section 5 of the 2009 Act (the MPs’ allowances scheme) makes provision for the payment of allowances to those who cease to be MPs on the dissolution of Parliament.
220. New section 3(3) requires the provision made in respect of MEPs to be as equivalent as the IPSA considers practicable to the provision made under the MPs’ allowances scheme.
221. New section 3(3A) provides for the scheme and a statement of reasons for making the scheme to be laid before both Houses of Parliament. New section 3(3B) requires the IPSA to publish the scheme and the statement of the reasons for it.
222. New section 3(3C) limits the eligibility for payment of the allowance to those MEPs who either stand down at a European Election or who fail to be re-elected.
223. New section 3(3D) provides that the IPSA may amend or revoke any previous scheme.
224. The existing provisions, and amendments, only apply to those MEPs who have opted-out of the arrangements for payment of MEPs under the single Statute for MEPs (European Parliament Decision [2005/684/EC](#), Euratom) which came into effect on 14 July 2009 – see section 3(5) of the 1979 Act.
225. *Subsection (3)* omits section 3A of the 1979 Act which provided power for the Leader of the House of Commons to amend by order section 3 so that the amount of grant payable was as equivalent as possible to that payable to MPs .
226. *Subsection (4)* amends the reference to “grant” in section 7(1)(b) of the 1979 Act to “allowance” so as to continue to allow the resettlement payments to be made from the Consolidated Fund.