

## **Explanatory Memorandum**

### **Motion for an humble Address: appointments to the Independent Parliamentary Standards Authority (IPSA)**

1. The motion provides for the fixed-term appointment to the Independent Parliamentary Standards Authority (SCIPSA) of four ordinary members, from the expiry of the existing ordinary board members' term of office on 10 January 2013.
2. The Independent Parliamentary Standards Authority was established by the Parliamentary Standards Act 2009. This states that the board of IPSA consists of the Chair and four ordinary members and establishes certain qualifications for membership, as follows:
  - At least one of the members must have held, but no longer hold, high judicial office;
  - At least one of the members must be eligible for appointment as a statutory auditor by virtue of Chapter 2 of Part 42 of the Companies Act 2006<sup>1</sup>;
  - One of the members ('the Parliamentary member') must be a person who has been but is no longer a member of the House of Commons; but
  - Apart from the Parliamentary member, a person who has been a member of the House of Commons at any time within the last five years may not be a member of the IPSA.
3. The existing ordinary board members were appointed for a fixed term of three years. These appointments will expire on 10 January 2013. The chair of IPSA, Professor Sir Ian Kennedy, was appointed for a fixed term of five years which will expire on 3 November 2014.
4. The individuals whose names appear on the motion were selected by the Speaker, with the agreement of the Speaker's Committee for the IPSA, on merit on the basis of fair and open competition, in accordance with the statute.
5. The recruitment competition required by the statute was conducted at the Speaker's request by an independent panel chaired by Dame Denise Platt DBE, a member of the Committee on Standards in Public Life.

The other members of the panel were:

- Professor Sir Ian Kennedy, the chair of IPSA;
- Dame Janet Gaymer DBE QC (Hon.), a former Commissioner of Public Appointments and lay member of SCIPSA; and

three individuals appointed to provide insights into the statutory qualifications for IPSA membership set out at paragraph 2 above. These individuals were:

- Rt. Hon. Sir Anthony May QC (nominated to the panel by the Lord Chief Justice)
- Martin Sinclair, Assistant Auditor General of the National Audit Office (nominated to the panel by the Comptroller and Auditor General); and
- Peter Atkinson, former MP for Hexham (nominated to the panel by the Speaker).

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<sup>1</sup> As amended by the Budget Responsibility and National Audit Act 2011

6. The independent panel was assisted by a specialist recruitment agency, Saxton Bampfylde, which was employed under the terms of a framework agreement with the House of Commons.
7. The recruitment process involved stages of online advertisement (in *The Times* and via other websites including the Cabinet Office, IPSA and the Parliamentary websites), longlisting, shortlisting and interview. Following final interviews the panel reported to the Speaker its recommendations for appointment, with a recommendation in each case as to the duration of the proposed appointment.
8. The candidates named in the motion are as follows:
  - The **Hon. Sir (Alexander) Neil Butterfield** is proposed for appointment as the judicial member of IPSA. He was called to the Bar in 1966, became a QC in 1985 and was the Presiding Judge of the Western Circuit from 1997-2000. He served as a High Court Judge sitting in the Queen's Bench Division from 1995-2012. At the request of the Economic Secretary to the Treasury and the Attorney General in 2003 he conducted a Review of Criminal Investigations and Prosecutions conducted by HM Customs and Excise. He is a member of the Parole Board, to which he was appointed in 2003 and of which he became Vice-Chairman in 2004.
  - **Elizabeth Padmore** is proposed for appointment to IPSA in the post to which no specific qualifications apply. She has been Chairman of Hampshire Hospitals NHS Foundation Trust since 2010. She is a Director of Youth Business International, where she also serves on the audit committee and chairs the accreditation committee; a trustee and member of the finance and general management committee of Women for Women International and a trustee and member of the finance and general purposes committee of the Ditchley Foundation. She is a co-founder and a member of the Global Board of Enablis, a not-for-profit organisation dedicated to creating a viable SME sector in Africa and South America. She was previously on the Council of Chatham House; a Director of National Australia Group Europe and Clydesdale Bank plc and on the advisory board of IMD Business School (Lausanne). She has also previously worked for eleven years for Accenture, including from 2001-2006 as a Partner and Global Director for Policy and Corporate Affairs.
  - **Miss Anne Whitaker MA ACA** is proposed for appointment as the auditor member of IPSA. Her eligibility for appointment in this capacity has been confirmed by the ICAEW. Miss Whitaker has served as a non-executive director and then Chair of Whipps Cross University NHS Trust: following the creation by merger of Barts Health NHS Trust she was appointed as a non-executive director of the new Trust and is chair of the remuneration committee. She was an audit partner for Ernst & Young, specialising in financial services, for twelve years. She was also Head of Audit for Financial Services at Ernst & Young from 2000 to 2004. Her voluntary sector interests include working with YourStory in Lambeth, an organisation which provides help in employment, criminal justice, education and sports and personal development and the MicroLoan Foundation, a microfinance organisation operating in Malawi, helping clients to build businesses.
  - **Professor Tony Wright** is proposed for appointment as the Parliamentary member of IPSA. He was Member of Parliament for Cannock and Burntwood, later Cannock Chase, from 1992-2010. During his Parliamentary career he served as Chairman of the Public Administration Select Committee and of the Select Committee on Reform

of the House of Commons. Since retiring from the House in 2010 he has been appointed Visiting Professor in Government and Public Policy at University College London and as a Professorial Fellow in Politics at Birkbeck College. He is also a member of the advisory board of the Parliamentary and Health Service Ombudsman.

9. Under paragraph 3 of Schedule 1 to the Parliamentary Standards Act 2009, the terms and conditions for each appointment are to be determined by the Speaker. The Speaker has determined that the duration of these appointments should be staggered in order to provide continuity for IPSA. The Speaker has accepted the independent panel's recommendation that, if the proposed appointments are approved:

- Sir Neil Butterfield and Professor Tony Wright should be appointed for a fixed term of three years
- Elizabeth Padmore and Anne Whitaker should be appointed for a fixed term of five years.

Five years is the maximum term permitted under the statute for a first appointment to IPSA. Sir Neil Butterfield has indicated that if appointed he would prefer a three year term. A three year appointment for the Parliamentary member would take account of the 2015 General Election and the possibility of a new cohort of former MPs being available to stand for office at that time.

10. Board members are expected to commit approximately two days per month to IPSA, although a greater commitment may be required at certain times. Board members are paid a daily fee of £400 (calculated at 7.5 hours or pro rata for part thereof). Expenses incurred on IPSA duties will be reimbursed in line with IPSA's policy on expenses.