Minute

Minutes of a meeting of IPSA's Board

Wednesday 21 July 2021

By video conference call

Board Members: Richard Lloyd (Interim Chair)

Sir Robert Owen

Helen Jones

Will Lifford

In attendance: Ian Todd, Chief Executive

Lee Bridges, Director of Policy and Engagement

Karen Walker, Director of Strategy and Change

Head of Communications

Chief of Staff

Senior Policy Adviser

Apologies: Director of MP Services

Director of Corporate Services

Head of Policy

Status: Submitted for approval at the meeting of the Board on 21 September 2021

1. Welcome and Declarations of Interest

1.1   The Interim Chair invited attendees to declare any interests not previously recorded. No such declarations were forthcoming.

1.2   The Board congratulated the Interim Chair upon his appointment as permanent Chair effective from 1 September 2021.

2. Minutes and Actions List

2.1   The Board meeting minutes of 9 June were approved.

3. MPs' Pay Consultation and McCloud

3.1   The Senior Policy Adviser proposed a short, technical consultation to give effect to the Board's decision to exercise reasoned discretion and provide flexibility to temporarily depart from the KAC9 index for MPs' pay adjustments, owing to the exceptional economic circumstances caused by the pandemic. Significant engagement had been undertaken with stakeholders and the consultation aims to provide a focused discussion of the mechanism by which MPs' pay is adjusted, rather than of the quantum itself. Comments from Board members had also been reflected in the proposal.

3.2   The Board approved the consultation document as necessary due to the economic uncertainty caused by coronavirus. It stressed that IPSA should work to revert to an objective index as soon as practicable. It was agreed that this would only be appropriate when the economy and the labour market had stabilised so to enable proper reliance on the statistical data and an outcome in line with IPSA's pay principles of fairness to MPs and the public.

3.3   On the McCloud pensions case, the Senior Policy Adviser discussed recent meetings with the Parliamentary Contributory Pensions Fund and the warm reception to working closely on the administrative implications of the court judgment.

3.4   A consultation report was discussed by the Board which, given the complexities of the issue, featured inbuilt flexibility for an explicit go/no-go checkpoint before publishing the second consultation. Whilst the aim was to resolve practical challenges, this checkpoint would serve as a prudent review point and check on value for money, administrative deliverability, and fairness to those impacted and taxpayers. An update was also provided on the Government's triannual valuation of the Exchequer's liability in regard to the fund, which has been left unchanged.

3.5   The Board confirmed its intention to explore further possibilities for better alignment of implementation timelines with the next General Election. It noted that there were many

variables to be considered and that not all were within IPSA's control. These dependencies and the range of impacts on those affected and other stakeholders needed to be considered before any implementation was finalised. This work was underway with assistance from external advisers.

3.6   The Board thanked the Senior Policy Adviser for the thoroughness of the paper, noting that both its feedback and the concerns of stakeholders have been faithfully reflected. It approved the consultation subject to minor drafting amendments.

4.   Board Programme of Work and Any Other Business

4.1   The Interim Chair noted the Board's Programme of Work and indicated that a draft 2022 timetable of Board and subcommittee meetings would soon be circulated to members. The Strategy Day of September 2021 would also serve as an opportunity to take stock of progress in delivering the current strategy, and a forum to think creatively on refreshing IPSA's regulatory approach.

4.2   A discussion of Board governance, including standing orders, committee structures, and other matters, was deferred to a later suitable date.

END