

Extract of minutes of IPSA Board meeting 28 June 2023
(Agenda point relating to winding-up/LOOP payments only)

Submitted for approval at the meeting of the Board on 12 September 2023.

6. Scheme Consultation

6.1 outlined the responses received under the statutory consultation undertaken through spring and the recommendations flowing therefrom.

6.2 Following discussion, the Board agreeing the following to be effective for the next General Election:

- That the loss-of-office payment (LOOP) be paid to all MPs who lose their seat at a general election, meaning that they were an MP on the day before the dissolution of Parliament and a candidate for re-election; but not re-elected. This would include where they stand unsuccessfully in a new or different seat, for instance because of constituency boundary changes.
- That any LOOP a former MP is entitled to be paid at the end of the winding-up period, rather than once all winding-up tasks are complete. There would be discretion for IPSA to withhold amounts relating to known debts and to withhold payment in cases of exceptional risk.
- That the winding-up payment be paid to all MPs who leave Parliament at a general election.
- That the winding-up period and payment be four months.
- That IPSA should wholly restrict payment of PILON relating to any period beyond the end of the four-month winding-up period.
- That a change to the Scheme, family leave policy, and guidance be made to allow MPs to request the full amount of occupational family leave pay in the event a staff member in receipt of such pay is made redundant as a result of an election.
- That IPSA exercise existing Scheme discretion to shorten the 90-day period for making claims in respect of winding-up costs, given the extension of the winding-up period to four months, with the Executive to determine the appropriate period.
- That IPSA should support the House of Commons in leading the work and engagement with the Administration Committee on non-financial, wellbeing and career transition support for former MPs.
- That the current position remain of a start-up supplement of £6,000 be made available to all MPs newly elected (in terms of their first election to Westminster) at the next election. Those elected to a new constituency following the boundary review, but who have served in Parliament up to that point, would be invited to make applications to the contingency panel if there is a need for additional funding. It also did not judge it appropriate to offer financial support or incentive to staff who are required to relocate in order to remain with their employer if elected to a different seat.

6.3. The Board asked the team to consider how best to operationalise the decision on the length of the winding-up period and to update it in due course.

6.4 The Board also noted that, in line with the legal position, IPSA will amend its guidance to make clear that staff members who become MPs may be entitled to redundancy pay, depending on whether they have resigned or whether they have been given notice of redundancy before becoming elected, but will not fund PILON costs for staff members who become MPs (for any period after Polling Day). It also noted that guidance will be amended to strengthen the need to keep accurate records of annual leave and time-off in lieu to set the expectation that any remaining leave should be taken during the notice period, and remind MPs and staff that IPSA will not make payments for untaken leave for more days than the staff member accrued in the relevant financial year.

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6.5 The Board agreed to reconsider all of the issues raised above during its next statutory review of MPs' remuneration within the first year of the next Parliament and once a lessons-learned exercise had been conducted following the next General Election.