



Minute

Minutes of a meeting of the Board of IPSA Tuesday 8 January 2013

Present	Sir Ian Kennedy, Chair Sir Scott Baker Jackie Ballard Ken Olisa Isobel Sharp Andrew McDonald, Chief Executive Nick Lee, Head of Board and Chief Executive Office	Mark Anderson, Head of Communications Belinda Brown, Head of Performance and Assurance [items 1 and 2] John Sills, Director of Policy and Communications Tony Lord, Head of Policy
Apologies	None	
Status	Final for publication.	
Publication	Final for publication, as approved at the meeting of the Board of 23 January 2013.	

1. Welcome

- 1.1. The Chair welcomed the Board to its last meeting before the four new ordinary members of the Board took office on 11 January 2013.

Declarations of interest

- 1.2. There were no new declarations of interests.

2. Minutes of previous meetings and matters arising

*IPSA/080113/1 – Minutes of a meeting of the Board, 20 November 2012;
IPSA/080113/2 – Minutes of a meeting of the Board, 11 December 2012; IPSA/080113/3
– Minutes of a meeting of the Board, 19 December 2012; IPSA/080113/4 – Action list*

Minutes of a meeting of the Board, 20 November 2012

- 2.1. The Board agreed to approve the minutes of a meeting of the Board on 20 November 2012 for publication subject to a number of amendments already circulated.

Minutes of a meeting of the Board, 11 December 2012

- 2.2. The Board agreed to approve the minutes of a meeting of the Board of 11 December 2012 for publication.

Minutes of a meeting of the Board, 19 December 2012

- 2.3. The Board noted that Isobel Sharp had been unable to attend the meeting in person owing to a family illness.
- 2.4. The Board agreed to approve the minutes of a meeting of the Board of 19 December 2012 for publication, subject to a number of amendments.

Action list and matters arising

- 2.5. The Board noted that the results of the IPSA staff survey had been circulated as part of the Board Update the previous month.

- 2.6. The Board noted that, where MPs seemed likely to overspend their staffing budgets in 2011/12, or had overspent their staffing budgets in 2010/11, IPSA would be writing to those concerned in the following week to set out the remedial steps (if any) that would need to be taken.

Appeal to the Information Tribunal

- 2.7. The Head of Performance and Assurance reported that the Information Commissioner had responded to IPSA's appeal, asking that Ben Leapman (of the *Sunday Telegraph*) be joined as a plaintiff but not asking that the appeal be struck out.
- 2.8. The Board agreed that a further opinion be sought, in writing, from counsel, subject to any further advice from the Treasury Solicitor.

Andrew McDonald to seek the view of the Treasury Solicitor as regards further advice

3. Review of MPs' pay and pensions

IPSA/0801113/5A and B – Review MPs' Pay and Pensions (draft report)

- 3.1. The Head of Policy reported that:

- since the meeting of the Board on 19 December 2012, further work had been under way to finalise the draft report on the consultation and take account of the Board's comments; and
- subject to signoff by the Board, it was expected that the final report would be published on 10 January 2013, before the Board left office.

Equality and diversity

- 3.2. The Board noted that there was no readily-available data on the diversity of parliamentary candidates, and that it might not be straightforward to gather such data.

- 3.3. The Board agreed that:

- in the context of MPs' pay and pensions, further research was needed regarding the diversity of parliamentary candidates and how this had changed over time; and
- in particular, further data should be sought from political parties so as to establish the extent, if any, to which potential candidates had been dissuaded from standing for Parliament as a consequence of the level of remuneration on offer.

Differential pay

3.4. The Board agreed that the report on the consultation should reflect the position agreed at the meeting of the Board on 19 December 2012 that, while recommending that differential pay for MPs was not worth considering further for reasons of practicality, the consultation document should at the same time explore the counter-arguments for offering two levels of pay between which MPs might elect to choose.

Pay for committee chairs

3.5. The Board noted that there had been relatively little interest in the question of committee chairs' pay in responses to the consultation.

3.6. The Board agreed that IPSA's overall approach to committee chairs' pay should be reviewed as part of future reviews of MPs' pay and pensions.

MPs' pensions

3.7. The Board noted that:

- IPSA had a statutory responsibility as regards the stability of the Parliamentary Contributory Pension Fund (PCPF) and so any proposals for offering MPs greater flexibility needed to take this into account; and
- there had been broad support among respondents for a career-average (CARE) model for MPs' pensions in the future.

3.8. The Board agreed:

- to note the potential issues relating to intersections between MPs' accrued rights and any changes to salary and that these issues would need further consideration as part of the second stage of the review of MPs' pay and pensions;
- that, in the light of a number of calls for a flexible approach to MPs' pensions, further work should be undertaken to establish what scope there might be for such flexibility;
- the new Board should be invited to consider how best to handle the ancillary benefits and transitional protections currently available under the MPs' pension scheme; and
- while there was broad agreement on the need for a CARE-style scheme, it would not be appropriate at that time to rule out an approach based on private-sector pension schemes.

Immediate decisions: Resettlement payments

- 3.9. The Board agreed not to make any changes to the current system of (interim) resettlement payments, and that further work to consider the future of resettlement payments should take place during the second stage of the review of MPs' pay and pensions.

Foreword

- 3.10. The Board agreed to approve the draft foreword to the report, subject to recirculation of a final draft.

4. MPs' pay in 2013/14 and 2014/15

IPSA/0801113/6 + annex A – MPs' pay in 2013/14 and 2014/15

- 4.1. The Board agreed:

- to approve a determination under section 4A of the Parliamentary Standards Act 2010 to increase MPs' salaries with effect from 1 April 2013 and from 1 April 2014;¹
- that these increases would be equal to one percent of the previous salary in each case, rounded up to the next whole pound; and
- that this increase would apply both to MPs' base salary and additional payments made to select committee chairs and members of the panel of chairs; and
- that there would be no need for an interim increase in MPs' pay in April 2015 given that it was expected that any new determination of pay would be implemented in May 2015, following the anticipated general election.

5. Transitional mortgage interest subsidy

- 5.1. The Director of Policy and Communications reported that:

- of those 71 MPs who made claims under the transitional mortgage interest subsidy, 11 had not yet paid in full the capital gain, if any, that was owed;
- of those 11, 8 were on track to make repayments; and
- it was possible, with respect to two MPs, that legal action might need to be taken so as to recover the capital gain owed to the taxpayer.

¹ One Board member wished to record their dissent.

- 5.2. The Board noted that the capital gain owed, if any, took account of possible tax liabilities and was based on valuations provided by surveyors registered with the Royal Institute of Chartered Surveyors (RICS).
- 5.3. The Board agreed that IPSA's policy on the recovery of capital gains should be enforced, if necessary, through recourse to the courts.

6. Chief Executive's report

Appeal to the Information Tribunal

6.1. The Chief Executive reported that:

- a tender had been issued with respect to the work to examine and cost the publication of images of MPs' receipts in the event that IPSA were unsuccessful in its appeal to the Information Tribunal; and
- he expected a contractor to carry out this work to have been appointed by February 2013.

Supplementary Estimate

6.2. The Chief Executive reported that he, along with the Director of Finance and Corporate Services, would be attending a meeting of the Speaker's Committee for the IPSA on Tuesday 15 January 2013.

7. Any other business

Thanks

- 7.1. The Board agreed to thank IPSA's executive for their support over the preceding three years.
- 7.2. The Chair thanked the four outgoing members of the Board – whose last meeting it was – for their support and expressed his admiration for what had been achieved by them.

Meeting closed.