

PARLIAMENTARY STANDARDS ACT 2009



THE SPEAKER'S COMMITTEE FOR THE INDEPENDENT PARLIAMENTARY STANDARDS AUTHORITY (IPSA)

SECOND REPORT 2022

Appointment of IPSA Board Member (Statutory Auditor)

*Ordered by the House of Commons
to be printed 14 November 2022*

The Speaker's Committee for the Independent Parliamentary Standards Authority

The Speaker's Committee for the IPSA is appointed in accordance with the provisions of the Parliamentary Standards Act 2009 as amended by the Constitutional Reform & Governance Act 2010.

Membership

[Rt Hon Sir Lindsay Hoyle MP](#), (Speaker of the House of Commons) (Chair)

Peter Blausten (Lay Member)

Ms Cindy Butts (Lay Member)

Ms Theresa Middleton (Lay Member)

[Chris Bryant MP](#), (Chair of the Committee on Standards)

[Thangam Debbonaire MP](#)

[Marion Fellows MP](#)

[Rt Hon Penny Mordaunt MP](#), (Lord President of the Council and Leader of the House of Commons)

[Rt Hon Sir Desmond Swayne MP](#)

[Sir Charles Walker MP](#)

Contacts

The Secretary of the Speaker's Committee is Bradley Albrow.

Correspondence should be addressed to:

The Secretary of the SCIPSA

Journal Office

House of Commons

London SW1A 0AA

Email: speakerscommittee@parliament.uk

Telephone inquiries: 0207 219 3351

Website: www.parliament.uk/scipsa

Contents

Appointment of IPSA Board Member	3
The Process	3
The candidate	5
Appendix 1: Role description and person specification	6
Appendix 2: Extract from William Lifford's CV	12

Appointment of IPSA Board Member

1. The Independent Parliamentary Standards Authority (IPSA) was established by the Parliamentary Standards Act 2009. The Chair of the Board of IPSA and other Board Members are appointed by Her Majesty the Queen, following an Address from the House of Commons. The Speaker of the House of Commons is required to select individuals to serve on the Board of IPSA “on merit on the basis of fair and open competition”, and the Speaker’s Committee for the IPSA must approve all candidates selected by the Speaker.
2. The Act specifies that, in addition to the Chair, there shall be four Board Members, and that:
 - a) At least one of the members of IPSA must be a person who has held (but no longer holds) high judicial office (within the meaning of Part 3 of the Constitutional Reform Act 2005 (c.4)).
 - b) At least one of the members of IPSA (“the statutory auditor”) must be eligible for appointment as a statutory auditor by virtue of Chapter 2 of Part 42 of the Companies Act 2006.
 - c) One of the members of IPSA (“the Parliamentary member”) must be a person who has been (but is no longer) a Member of the House of Commons.
3. On this occasion the vacancy on the Board of IPSA was for the statutory auditor board member, following the end of William Lifford’s tenure, which is due to finish on 11 January 2023.
4. This report provides information about the procedures followed by the Speaker’s Committee during the selection of a candidate to join the IPSA Board.

The Process

5. In May 2022, the Speaker appointed the following panel to review the recruitment pack, interview candidates, and make final recommendations to the Speaker:
 - Peter Blausten (lay member of the Speaker’s Committee for the IPSA);
 - Philippa Helme (independent chair);
 - Richard Lloyd (Chair, IPSA); and
 - Theresa Middleton (lay member of the Speaker’s Committee for the IPSA).
6. The panel was asked to provide the Speaker with the names of candidates who it believed were appointable to the role, in the form of a ranked list. The recruitment consultants Veredus were engaged by IPSA to support the process.
7. The panel first met in May to review the recruitment pack and advertisement for the role and revised and updated the role description and person specification, before they were signed off by the Speaker. The campaign went live on 30 May and closed on 4

July. The role was advertised on the Times Appointments, Guardian Jobs, Cabinet Office Public Appointments and Veredus websites. Candidates were asked to provide their CV, a statement in support of their application, and a declaration of any political activities.

8. 19 applications were received. The panel met on 22 June to longlist candidates, and agree which candidates to invite to preliminary interviews with the recruitment consultants. Panel members present declared whether they had pre-existing knowledge of any of the candidates, either in a personal or professional capacity. There were some connections, none of which were sufficiently close to require the panellist concerned to remove themselves from further consideration of the candidate. The panel decided on a longlist of 10 candidates for initial interviews with Veredus. One candidate withdrew their application before the interviews took place.

9. The panel met again on 5 September to consider the outcome of these preliminary interviews and agreed a shortlist of six candidates to progress to final interviews. Two candidates withdrew their application before the final interviews took place—one due to illness, and another due to the candidate realising they did not meet the statutory requirements for the role.

10. Each shortlisted candidate was offered the opportunity to meet the Chief Executive of IPSA to discuss the role of IPSA and its current programme of activity.

11. Veredus carried out social media screening for each of the shortlisted candidates. Veredus also took two references for each of the interviewed candidates, with the exception of William Lifford. Nothing in either the references or social media screening gave the panel cause for concern.

12. Panel interviews were held on 23 September on the Parliamentary Estate. Candidates were asked to prepare a five-minute presentation setting out what they saw as the main challenges and opportunities facing IPSA over the next five years and how they, as the statutory auditor board member, would enable IPSA to meet the challenges and capitalise on the opportunities therein.

13. Each interview lasted a little over 45 minutes. Questioning was designed to test the candidates' fit with the essential and desirable criteria in the person specification. At the end, the candidates were asked about how they would handle the time commitment, any actual or potential grounds for perceived conflicts of interest, and whether there was anything else in their backgrounds that might affect their ability to command the confidence of the public, Members from across the House, and Members' staff.

14. The panel provided the Speaker, for each interviewed candidate, with a summary of their fit with the person specification. The panel found that one candidate met the requirements and was appointable to the role - Will Lifford. Having carefully considered the panel's report, the Speaker decided to recommend Will Lifford to the Speaker's Committee as his preferred candidate for the post. At its meeting of 8 November, the Speaker's Committee agreed to the Speaker's selection of Will Lifford.

15. The Speaker and the Committee are entirely satisfied that the selection process was rigorous and that the panel discharged its duties conscientiously and with all due regard to the requirements of thoroughness, fairness and propriety, and to ensuring applications

from a diverse range of candidates and testing all candidates on their commitment to equality, diversity and inclusion. We are grateful to Philippa Helme and her fellow panellists.

The candidate

16. William Lifford currently holds the Statutory Auditor position on IPSA's board, to which he was appointed in 2018. In addition to his role at IPSA, Will is a board member of the Charity Commission, and a trustee and member of the Finance and Business Committee at St. Gemma's Hospice, Yorkshire. He previously held various non-executive positions at Livestock Information Limited, Entrust, Leeds Trinity University, Yorkshire Housing, and the Agriculture and Horticulture Development Board. He spent much of his career as an accountant at Grant Thornton (1979–2007), where he became a partner. Will is a Fellow of the ICAEW, and holds a degree in Chemistry from the University of Bristol.

17. The panel made the following comments on William Lifford: “we concluded that Will was a very good candidate who would continue to perform reliably and competently on the IPSA board”.

18. Appointments to IPSA are made by His Majesty on an Address from the House of Commons. The Committee invites the House to approve the re-appointment of William Lifford as a Board Member of IPSA for a further three-year term.

Appendix 1: Role description and person specification

Role of the Board

IPSA's Board provides the strategic leadership of the Independent Parliamentary Standards Authority, safeguarding its independence, acting as an advocate for its values and delivering its objectives: meeting its statutory duties; helping to maintain confidence in Parliament; and providing efficient and cost-effective administration of services which meet the needs of taxpayers, MPs and their staff. The Board ensures that IPSA exercises its statutory obligations, including:

- The review and setting of MPs' salaries;
- The review and development of the MPs' pensions scheme; and
- The operation and review of the Scheme of MPs' business costs ('the Scheme').

The Board sets the strategic priorities for IPSA as an organisation ensuring it is efficient, cost-effective and fit for purpose and delivers its objectives. In doing so, the Board:

- Contributes to the development and articulation of IPSA's vision, values, strategies and plans, and shares, champions and demonstrably lives the values;
- Sets the policy framework for MPs' business costs;
- Oversees the development of, and approves, a Corporate Plan, Annual Report and Estimate of IPSA's use of resources; and
- Sets the risk appetite and approves the framework of internal controls in support of the achievement of IPSA's strategic objectives.

The Board also:

- Reviews and approves the Scheme for MPs' business costs and assesses and ensures compliance with Scheme rules;
- Determines the salaries to be paid to MPs, including mechanisms for review and up-rating of salaries;
- Scrutinises the performance of the organisation in meeting its objectives and holds the Executive to account for their delivery;
- Determines and reviews the procedures used by the Compliance Officer;
- Proposes and, from time to time, revises a code of conduct for members of IPSA's Board; and
- Appoints and determines the terms and conditions of the Chief Executive.

Following appointment as Interim Chair in October 2019, Richard Lloyd was appointed Chair of IPSA from September 2021.

The Board meets normally no less than once every two months either in person at IPSA's offices or via virtual meeting platforms, with notice given well in advance. The Board currently has two subcommittees: the Audit and Risk Assurance Committee and the People Committee. The respective remits of the subcommittees are detailed in the Board's Standing Orders.¹

About the Role

IPSA is embarking on a major programme of transformation (as set out by the 3-year Corporate Plan 2021–24²), with a desire to put customer service at the forefront of its regulatory functions.

Its purpose, mission and values have recently been reviewed and revised following extensive internal and external engagement and IPSA has secured additional funding through the Speaker's Committee for IPSA (SCIPSA) to deliver its Corporate Plan.

This plan is ambitious. It requires cultural change, technological improvements and end-to-end system and process redesign but must be delivered alongside IPSA's existing day to day operations.

The Board of IPSA is made up of a Chair and four members. The Parliamentary Standards Act 2009 requires that:

- At least one member must have held, but no longer hold, high judicial office;
- At least one member must be eligible for appointment as a statutory auditor by virtue of Chapter 2 of Part 42 of the Companies Act 2006; and
- At least one of the members (the 'Parliamentary Member') who has been (but is no longer) a member of the House of Commons.

Apart from the Parliamentary Member, no one who has been an MP at any time within the last five years may be a member of the Board of IPSA.

In this recruitment and pursuant to the Parliamentary Standards Act 2009, we are seeking an IPSA Board member eligible for appointment as a statutory auditor by virtue of Chapter 2 of Part 42 of the Companies Act 2006. This person will be expected to take on the role of Chair of IPSA's Audit and Risk Assurance Committee, which is outlined further in the Board standing orders.

IPSA needs a Board member whose professional experience can support the Chair and the executive leadership team on an exciting but challenging journey in which media interest is never far away and stakeholders need careful, tailored engagement. The Board member will need to apply their expertise on audit, risk, and assurance matters in the context of IPSA's service transformation and fundamental review of its regulatory model.

IPSA is keen to diversify the Board both demographically and professionally to boost its cognitive mix and representativeness, and hopes applications will be received from a range

1 [IPSA Board: Standing Orders \(ctfassets.net\)](https://ctfassets.net)

2 [IPSA_Corporate_Plan_2021-24.pdf \(ctfassets.net\)](https://ctfassets.net)

of candidates with diverse backgrounds. We would particularly welcome applications from a diverse range of candidates across the protected characteristics and based across the UK.

Key responsibilities

This Board member plays a pivotal role in the governance, scrutiny, and direction-setting of the organisation. In particular, and working with other members of the Board, the postholder:

- Supports the Chair and executive leadership of the Independent Parliamentary Standards Authority in developing its corporate plan, approving its Annual Report and Accounts, and budget Estimate;
- Establishes with the Board the strategic direction of IPSA and ensures compliance with IPSA's statutory duties including reviewing and setting MPs' pay, reviewing and developing the MPs' pension scheme, and establishing the Scheme of MPs' Business Costs;
- Chairs IPSA's Audit and Risk Assurance Committee, which offers advice to the Chief Executive, in their role as Accounting Officer, and also to the Board, in the following areas:
 - the strategic processes for risk, control and governance, and the Governance Statement;
 - the accounting policies, the Annual Report and Accounts, including the process for review of the accounts prior to submission for audit, levels of error identified and the Accounting Officer's Letter of Representation to the Comptroller and Auditor General;
 - the planned activity and the results of both internal and external audits;
 - the adequacy and promptness of the management response to issues identified by internal or external audit activity, including the National Audit Office's (NAO) management letter;
 - assurances relating to the management of risk and corporate governance required for the organisation; and
 - IPSA's anti-fraud policies, whistleblowing processes and arrangements for special investigations; and the arrangements for internal and external audit.
- Reviews and communicates to the Board, in their capacity as Chair of the Audit and Risk Committee, on:
 - the Accounting Officer's governance statement in the Annual Report, ensuring it appropriately discloses issues relating to IPSA's governance, the management of risk and internal controls;
 - significant matters raised by and/or discussed with the National Audit Office;

- the Annual Report of the Head of Internal Audit, and the Annual Report of the Senior Information Risk Owner (SIRO);
 - the effectiveness of assurances relating to the requirements for governance and risk management of IPSA, IPSA’s risk management policy, risk appetite and the quarterly risks register, including any changes to the register and any risk registers that underpin the main register; and
 - proposals for the provision of internal audit services, including any tendering arrangements.
- Works closely with the Chair, Board, and Executive to maintain strategic direction and monitor performance, including risk management and the promotion of IPSA’s vision and values;
 - May represent IPSA in public, before parliamentary committees, and with MPs and parliamentary officials, as appropriate;
 - Commits to IPSA’s values, abides by the Board’s code of conduct, and supports equality, diversity, and inclusion;
 - Works with other members of the Board to help fulfil its statutory function as outlined in more detail below and in the terms and conditions; and
 - Will be a member of the People Committee and play a role in the appointment of the Compliance Officer and the Chief Executive as a member of the People Committee (Board members collectively make the senior executive appointments to IPSA).

Remuneration: £500 per day.

Length of term: up to five years (with the possibility of reappointment subject to open competition).

Time commitment: this role requires a commitment of approximately 2–3 days a month. Board meetings are held in London to an agreed schedule, no less frequently than once every two months.

Independence and political activity

The IPSA Board’s Code of Conduct requires that Board members must observe the highest standards of impartiality, integrity and objectivity in carrying out their duties and responsibilities. IPSA is fully independent of the Government and Parliament.

IPSA operates in a political environment, and must maintain the confidence of MPs of all parties as well as their staff. Political restrictions are set out in statute, and the IPSA Code of Conduct:

The Parliamentary Standards Act 2009 states that Members of IPSA (other than the designated Parliamentary Member) cannot have been a member of the House of Commons at any time within the last five years.

The Board member may not occupy paid party-political posts or hold particularly sensitive or high roles in a political party, nor engage in specific political activities or matters directly affecting the work of IPSA. Further details are included in the IPSA Code of Conduct for Members.³

Past political activity is not a bar to Board membership, and we welcome applicants who can demonstrate political awareness. However, in the interests of transparency, applicants will be asked to disclose political activity within the last 10 years.

Standards in Public Life

Although the appointment does not come within the remit of the Commissioner for Public Appointments, it is being made using a process which takes into account the relevant guidance in the Government's Governance Code. The Seven Principles of Public Life, the 'Nolan' Principles to be upheld by all those taking up Public Appointments, are included at Annex D.

Security clearance

CTC (Counter Terrorist Check) security clearance is required. This involves: successful completion of the Baseline Personnel Security Standard and a Security Questionnaire, a check of both spent and unspent criminal records, a check of Security Service (MI5) records, and of company records (e.g. personal files, staff reports, sick leave returns and security records).

Person Specification

We are looking for applicants with experience of leadership and the ability to operate and influence at Board level. While previous non-executive board experience is not essential for this role, applicants should have a track record of operating at a senior leadership level in a complex organisation in a financial, accounting or auditing role. Candidates should also be able to demonstrate that they can use their skills and experience to influence the strategic direction of organisations, support cultural change and adopt a risk-based approach to regulatory activity and service transformation.

Applicants will need to be eligible for appointment as a statutory auditor by virtue of Chapter 2 of Part 42 of the Companies Act 2006. To fulfil this requirement, candidates must be (i) a member of a Recognised Supervisory Body (the Association of Chartered Certified Accountants, the Chartered Accountants Ireland, the Institute of Chartered Accountants for England and Wales, or the Institute of Chartered Accountants of Scotland), and (ii) eligible for appointment as a statutory auditor under the rules of that body.

The successful candidate will need to act, and be seen to act, with independence, objectivity, and transparency. Applicants will therefore need to demonstrate integrity, sound judgement, an exemplary commitment to the Nolan principles of public life⁴, and an understanding of the importance of upholding the profile and reputation of IPSA and democracy.

3 [Code_of_Conduct_for_the_Chair_and_Board_Members_of_IPSA_-_September_2021.pdf \(ctfassets.net\)](#)

4 [The Seven Principles of Public Life - GOV.UK \(www.gov.uk\)](#)

Candidates will need to provide evidence in their application of ability in all the areas listed as essential below and ideally one or more of those listed as desirable.

Essential

- Track record of operating at a senior leadership level in a complex organisation in a financial, accounting or auditing role, with experience of identifying and delivering alternative models of service delivery, managing risk and improving assurance during organisational transformation.
- Experience of working in a regulatory or regulated environment and understanding of risk-based approaches to achieving high compliance in regulated activity.
- Ability to work collaboratively at Board level, fostering open, constructive and robust dialogue, continuously improving Board and organisational performance, and respecting the boundaries between non-executive and executive responsibility.
- Demonstrable ability to chair the Audit and Risk Assurance Committee effectively and engage productively and objectively with internal and external audit.
- Demonstrable understanding of governance and corporate best practice, with ability to challenge and advise on financial and budgetary information and on pay and pensions issues, and capacity to consider multi-faceted regulatory/policy issues with an open mind.
- Demonstrable commitment to equality, diversity and inclusion.
- Awareness of the UK's political environment, and an understanding of the role of MPs and the challenges they and their staff face.

Desirable

- Experience of client-focused service delivery, and ability to consider the consumer, client or stakeholder perspective in decision-making.
- Experience of improving organisational capability and performance through the adoption of digital technology; an appreciation of digital platforms and data in service delivery or as enablers of organisational effectiveness and change.
- Understanding of auditing practice within the public sector and experience of working constructively with the National Audit Office.

Appendix 2: Extract from William Lifford's CV

Professional Experience

Current appointments

Board member and Chair of the Audit and Risk Assurance Committee, Independent Parliamentary Standards Authority.

January 2018 to present.

Board member and member of the Audit and Risk Assurance Committee, Charity Commission for England and Wales.

January 2021 to date.

Trustee and member of the Finance and Business Committee, St Gemma's Hospice.

September 2021 to date.

Past appointments

Board member and Chair, Yorkshire Housing.

2015–2021.

Board member and Chair of the Audit and Risk Assurance Committee, Agriculture & Horticulture Development Board.

2013–2020.

Interim Chair, Livestock Information Limited.

2019–2020.

Trustee and Chair, Martin House Children's Hospice.

2009–2017.

Member of Audit and Investment Committee, Yorkshire Agricultural Society.

2008–2016.

Trustee and Director, Axisweb.

2011–2016.

Non-executive director and Chair of the Audit Committee, Entrust.

2008–2015.

Governor and Chair of the Audit Committee, Leed Trinity University.

2008–2014.

Non-executive director, Connect Yorkshire.

2009–2013.

Non-executive director, Cawingredients Limited.

2011–2021.

Member of the Audit and Risk Committee, Rural Payments Agency.

2007–2010.

Employment history

Financial advisory assignments (2008–2015)

Acted in a financial advisory capacity (quasi part-time finance director) to a company providing nationwide educational consultancy services.

Grant Thornton UK LLP (1979–2007)

Partner (1982- 2007)

UK Head of Audit (1992–2000)

Member of UK Management Board (1998–2001)

UK Senior Audit Partner (2002- 2007)

Trainee and junior chartered accountant, Deloitte Haskins & Sells (1972–1979)