

PARLIAMENTARY STANDARDS ACT 2009



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

FIRST REPORT 2022

Appointment of IPSA Board Member

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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)

Mr Shrinivas Honap (Lay Member)

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

[Thangam Debbonaire MP](#)

[Jackie Doyle-Price MP](#)

[Marion Fellows MP](#)

[Rt Hon Jacob Rees-Mogg MP](#), (Lord President of the Council and Leader of the House of Commons)

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Appointment of IPSA Board Members

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 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 must be a person who is qualified under Schedule 3 to the National Audit Act 1983 (c.44) to be an auditor for the National Audit Office.
 - 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 relevant vacancy on the Board of IPSA was for a fourth member, to which none of the three requirements above apply.
4. This report provides information about the procedures followed by the Speaker’s Committee during the selection of the candidate to join the IPSA Board.

The process

5. In September 2021, the Speaker appointed the following panel to conduct the initial sifting and interview of candidates:
 - Peter Blausten (lay member of the Speaker’s Committee for the IPSA);
 - Cindy Butts (lay member of the Speaker’s Committee for the IPSA);
 - Sir David Crausby (former MP for Bolton North East);
 - Philippa Helme CB (chair); and
 - Richard Lloyd (Chair of IPSA).
6. The panel was asked to provide the Speaker with the names of candidates who they believed were appointable to the role, in the form of an unranked list. The recruitment consultants Veredus were engaged by IPSA to support the process.
7. The panel reviewed 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 14 October and closed on 22 November. The role

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

8. 63 applications were received. The panel met on 26 November to consider a report from the recruitment consultants and agreed to longlist candidates for a preliminary interview 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, all of which were professional. The panel decided on a longlist of 10 candidates for initial interview with the recruitment consultants. One candidate withdrew their application before interviews took place.

9. The panel met again on 8 December to consider the outcome of these preliminary interviews and agreed a shortlist of six candidates to interview.

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. One reference for each of the shortlisted candidates was also obtained ahead of their interviews. The recruitment consultants were also asked to carry out social media screening for each of the shortlisted candidates.

12. Panel interviews were held on 21 December 2021 over MS Teams. Candidates were told that they would be asked at the outset to give 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 a board member, would enable IPSA to meet the challenges and capitalise on the opportunities.

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 potential for perception of 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 their staff.

14. The panel found that one candidate met the requirements and was appointable to the role. The panel provided the Speaker, for each interviewed candidate, with a summary of their fit with the person specification. Having carefully considered the panel's report, the Speaker decided to recommend Lea Paterson to the Speaker's Committee as his preferred candidate for the post. At its meeting of 11 January 2022, the Speaker's Committee agreed to the Speaker's selection of Lea Paterson.

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. Lea Paterson was until recently Executive Director, People and Culture, at the Bank of England. She is currently an Independent Member of the University of Warwick's Remuneration Committee. Lea has previously held a number of senior management positions at the Bank of England, including Director of Independent Evaluation. She was also an Advisor to the Bank's Board in its review of ethnic diversity and inclusion. Before working for the Bank, Lea worked as a journalist, as Economics Editor at The Times and previously at The Independent.

17. The panel made the following comments on Lea Paterson:

Lea delivered a thoughtful and engaging presentation. She also energetically communicated a commitment to public service as her primary motivator. The substance of her responses was impressive in all areas, though they could have been more structured and succinct at times. She demonstrated strong experience of change management at board-level, as well as in communications. She also evidenced a good understanding of the UK's wider political background, and we felt that her experience of operating in a political environment at the Bank of England would be transferable to a parliamentary context. Notably, she made reference to equality and diversity, unsolicited, in her answers, and drew on her own lived experience. Her style of communication—personable but at times rather unstructured—led the panel to feel that this might be a potential area of development in the context of board discussions. Overall, we considered that Lea was an excellent candidate, with considerable relevant experience and transferable skills, and would be a strong addition to IPSA's Board.

18. Appointments to IPSA are made by Her Majesty on an Address from the House of Commons. The Committee invites the House to approve the appointment of Lea Paterson as a Board Member of IPSA for a five-year period.

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;
- the operation and review of the MPs' Business Costs 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 Members of Parliament, 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 in October 2021.

The Board meets normally no less than once every two months either in person at IPSA's offices or, owing to the pandemic, via virtual meeting platforms, with notice given well in advance. The Board currently has four subcommittees: the Audit and Risk Assurance Committee, the Remuneration Committee, the Nominations Committee, and the Change Oversight Committee. The respective remits of the subcommittees are detailed in the Board's [Standing Orders](#).

About the role

Now is an exciting time to be a Board member of the Independent Parliamentary Standards Authority, as the organisation is embarking on a major programme of transformation (as set out by the 3-year [Corporate Plan 2021–24](#)), with a real desire to put customer service at the forefront of its regulatory functions.

IPSA's mission is to enable MPs to focus on what really matters by providing an exemplary, seamless regulatory service, underpinning its purpose of supporting democracy with great service, fair rules and wise spending.

Its purpose, mission and values are all newly defined through extensive internal and external engagement and IPSA have recently 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 which, with only 100 staff, is a significant ask.

IPSA needs a Board member whose professional experience and personal perspective can support the Chair and the executive leadership team on an exciting but challenging journey in which media interest is never far away and powerful stakeholders need careful, tailored engagement. 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 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 position 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 ensure 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;

- 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;
- Plays a role in the appointment of the Compliance Officer and the Chief Executive as a member of the Nominations Committee (Board members collectively make the senior executive appointments to IPSA);
- May represent IPSA in public, in the media, before parliamentary committees, and with MPs and parliamentary officials, as appropriate.
- Commits to IPSA's values, abide by the Board's code of conduct, and support equality, diversity, and inclusion; and
- 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.

Remuneration: £400 per day

Time commitment: around 2–3 days per month.

Length of term: up to five years.

Political activity

IPSA operates in a political environment, and must maintain the confidence of MPs of all parties as well as their staff. IPSA is fully independent of the Government and Parliament. 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. 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.

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 a 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 on specific political activities or matters directly affecting the work of IPSA. Further details are included in the IPSA Code of Conduct for Members.

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 a 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. Previous non-executive board experience is not essential for this role. Successful candidates will need to provide evidence in their application of ability in all the areas listed as essential below and ideally some of those listed as desirable.

Essential

A track record of effective people management; and an understanding of modern pay and reward strategies and the role they can play in cultural and corporate transformation.

- Experience of leading cultural transformation and building capability and capacity within an organisation, at a senior level.
- A commitment to and record of supporting equality, diversity, and inclusion, perhaps including the development, implementation, or scrutiny of a cross-organisational diversity and inclusion strategy designed to improve culture, representation, and development.
- Understanding of governance and corporate best practice; and ability to work collaboratively and effectively with a senior non-executive team in a high-profile environment with a view to continuously improving Board and organisational performance, including via holding the executive team to account.
- Integrity and ability to exercise sound judgement and to grasp complex issues quickly, including scrutinising financial and budgetary information; and capacity to consider regulatory issues within a framework of principles and IPSA's values.
- A track record of successfully managing and influencing relations with a diverse and demanding range of interested parties, with tact and discretion.

Desirable

- Experience of client-focused service delivery, and ability to consider the consumer, client or stakeholder perspective in decision-making.
- Awareness of the UK's political environment, and an understanding of the role of MPs and the challenges they and their staff face; an appreciation of the organisational challenges of supporting such a diverse and geographically dispersed clients.
- 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, or professional background in, remuneration and pensions.

Appendix 2: Extract from Lea Paterson's CV

Professional experience

Current role

Independent Member, University of Warwick Remuneration Committee

September 2021 to present.

Employment history

Advisor to the Board, Review of Ethnic Diversity and Inclusion, Bank of England

October 2020 to July 2021

Executive Director, People and Culture, Bank of England

March 2018 to May 2021

Director, Independent Evaluation, Bank of England

May 2014 to March 2018

Senior Management Positions, Various, Bank of England

September 2004 to May 2014

Economics Editor, The Times

October 2000 to September 2004

Economics Correspondent, The Times

1999 to 2000

Economics and Banking Reporter, The Independent

1997 to 1999

Consultant, London Economics

1995 to 1997