

Minutes of a meeting of IPSA's Board

Thursday 28 July 2016

Present: Ruth Evans, Chairman
Sir Robert Owen
Liz Padmore
Anne Whitaker

Also Present: Rt. Hon Jenny Willott

In attendance: Marcial Boo, Chief Executive
Vicky Fox, Director of MP Support Services
Naomi Stauber, Chief of Staff to the Chief Executive and Board
Leader of Change Programme
Head of Finance (Item 3)
Head of Communications

Apologies: Rt. Hon John Thurso
Director of Regulation

Status: Submitted for approval at the meeting of the Board on 22 September 2016.

Publication: Approved for publication.

1. Welcome and Declarations of Interest

- 1.1 The Chairman opened the meeting and welcomed those attending. The Board welcomed, in particular, Jenny Willott, who had been appointed to IPSA's Board to replace Lord Thurso from 8 August. It also welcomed IPSA's new Director of MP Support Services to her first meeting.
- 1.2 Apologies were received from Lord Thurso and IPSA's Director of Regulation.
- 1.3 The Chairman invited the Board and members of staff to declare any interests not previously recorded.
- 1.4 Liz Padmore declared a non-prejudicial interest, in that she had been appointed to the Ditchley Foundation's Council of Management.

2. Minutes of previous meetings and matters arising

Minutes

- 2.1 The Minutes of the meeting of the Board held on 30 June 2016 were approved, subject to a minor amendment.

Actions arising from the previous meeting

- 2.2 The Board noted the actions that had been completed since the last meeting.

3. Financial Position and Management Accounts for June 2016

- 3.1 IPSA's Head of Finance introduced the report which provided an update on IPSA's financial position as at the end of June 2016. The Board reviewed the report and noted that, overall, IPSA was reporting a 4 per cent underspend. It further noted the following key messages under each subhead:

Subhead A

- 3.2 The in-month and year to date positions are broadly in line with the forecast, with slight underspends across all areas. As reported last month, the underspend on MPs' staff continues to show the largest underspend to date. This is a result of lower than budgeted numbers of staff being employed combined with a high turnover of staff.
- 3.3 Although IPSA is receiving more enquiries relating to applications for funding for security measures from MPs, this has yet to result in a noticeable increase in expenditure.

Subhead B

- 3.4 Expenditure against Subhead B is now reporting a year to date underspend of £18k against pay and £69k against non-pay. Pay is under budget in June by £21k as a result of the turnover of staff and slight delays relating to recruitment.
- 3.5 In month expenditure on non-pay is reporting a £112k underspend against budget. Last month IPSA reported a £47k variance against consultancy spend due to the work on the IPSA 2017 improvement programme being invoiced in advance of our original forecast timetable. The impact of this has now unwound with a £46k underspend in the month.
- 3.6 The Board noted IPSA's financial position and management accounts for June 2016.

4. Chief Executive's Report

- 4.1 The Chief Executive introduced a paper setting out the organisation's activities since he last reported to the Board in June. He noted, in particular, that IPSA's organisational performance is good overall with little change since last month, except on security where the number of applications from MPs had increased markedly. IPSA processed 89 per cent of these applications within its target of ten working days – often much sooner, in an average of three days where all the necessary information had been provided by the MP.
- 4.2 The Board noted that at the beginning of July there were still a few MPs who had not completed their pension auto-enrolment declaration. It further noted that those MPs will be in breach of the law and subject to a fine by the Pensions Regulator if they do not complete the necessary declaration by the end of the month. The Chief Executive informed the Board that IPSA's payroll team had worked continuously with the Pensions Regulator, and with MPs themselves, to ensure that all the MPs affected were personally contacted on numerous occasions to be reminded to complete their declarations.
- 4.3 IPSA first emailed all MPs in March 2015 about changes to the MPs' Scheme of Business Costs and Expenses. This included details about a change in pension provider and new pension auto-enrolment requirements for their staff. A separate letter from the Pensions Regulator about the new auto-enrolment requirements was also included. The communication attracted little response which, in view of the forthcoming General Election, was understandable.
- 4.4 IPSA and the Pensions Regulator sent further joint letters to all MPs to explain again their legislative duties and exactly what action needed to be taken to comply with the law in December 2015 and February, April, May, June and July 2016. These letters were personally addressed to each MP and were hand delivered to the House of Commons to ensure they were received. The information was also included in the IPSA bulletin to remind MPs to read the correspondence previously sent.

- 4.5 The Board noted that the legislative demands of auto-enrolment will be a permanent feature of IPSA's work from now on as it helps MPs ensure that, as employers, they are compliant with the law.
- 4.6 The Board received an update on the IPSA 2017 improvement programme and noted, in particular, the key risks that are a current focus for the programme. It asked that in future, the mitigations of those risks be included in the update report.
- 4.7 The Board noted IPSA's performance in June 2016, and the list of the Chief Executive's and Chairman's meetings with MPs and officials since the last report.

5. The Board's Programme of Work for 2016-17

- 5.1 The Board noted its programme of work for the financial year.

6. Any other business

- 6.1 The Chairman enquired if there was any other business for report by the Board or the Executive. No business was raised.

Meeting closed.