

## Minutes of a meeting of the IPSA Board

Wednesday 28 January 2015

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**Present:** Sir Ian Kennedy, Chairman  
Sir Neil Butterfield  
Liz Padmore  
Anne Whitaker  
Professor Tony Wright

**In attendance:** Marcial Boo, Chief Executive (Items 1 - 4)  
John Sills, Director of Policy and Communications  
Judith Toland, Director of Operations (Items 1 - 4)  
Naomi Stauber, Head of Board and Chief Executive Office  
Head of Policy and Strategy (Items 3, 6 & 7)  
Head of Communications (Items 3 & 4)  
Policy Manager (Items 6 & 7)  
Compliance Officer (Item 10)

**Apologies:** None

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**Status:** Approved for publication at the meeting of the Board on 18 February 2015

**Publication:** Sections 5, 8 and 9 are not for publication.

## **1. Welcome and Declarations of Interest**

- 1.1 The Chairman opened the meeting and welcomed those attending.
- 1.2 The Chairman invited Board and staff members to declare any interests not previously recorded. No interests were declared.

## **2. Minutes of previous meetings and matters arising**

### Minutes

- 2.1 The draft minutes of the meeting held on 21 January 2015 were circulated to the Board for its review, prior to their formal approval at the next meeting on 18 February 2015.

### Actions arising from the previous meeting

- 2.2 The Head of Board and Chief Executive Office noted that a number of outstanding actions had been completed since the publication of the agenda and updated the Board accordingly.
- 2.3 The Board noted that the Head of Board and Chief Executive Office had met the officials of the Speaker's Committee for the IPSA and had suggested that a meeting between IPSA's Board and the lay members of the Committee could take place on the date of a forthcoming meeting of the Board. The officials of the Speaker's Committee for the IPSA had been provided with a list of forthcoming dates accordingly.

## **3. IPSA's Strategy: Final Approval**

- 3.1 The Head of Policy and Strategy introduced the report and noted the helpful comments that had been made by the Board as a result of its previous review of the draft Strategy in December 2014. The document had been revised in light of the Board's comments and was now presented for its final approval, subject to any further amendments
- 3.2 The Board reviewed the Strategy and noted, in particular, that:
  - the draft Strategy retains the tone and largely the content of the first draft but, as recommended by the Board, it now details the fact that the organisation has clear and enforceable rules and gives greater prominence to IPSA's work with the Compliance Officer. It also places greater emphasis on our work to help the public to draw upon and interpret the data we publish more easily, thereby providing assurance about our regulatory role and the work that IPSA undertakes.
  - the Strategy should make it clear that, although the organisation has undertaken the preparatory work to end MPs' generous final salary pension scheme and to replace it with a career-average scheme that reflects the approach adopted across the public sector (and is less costly to the taxpayer), these changes have not yet

been implemented. The changes will take effect on 8 May 2015 and the Strategy should reflect this.

- the wording of the Strategy should be amended to make it clear that IPSA will not be *taking on* MPs' legal responsibilities to automatically enrol their staff in pensions which qualify under the new pensions legislation, but will be *supporting* MPs by completing the task on their behalf.
- the headline page of the Strategy, setting-out IPSA's purpose and aim and how we will achieve this aim, should retain a section on collaboration that focuses on IPSA's staff and the importance of team-working. However, this section should not be conflated with the previous three sections on achieving our aim effectively, efficiently and transparently. Rather, it should take the form of a short paragraph that underpins our aim and explains how we will achieve it as an organisation.
- the Strategy makes reference to the fact that IPSA will work with MPs to develop new ways for them to set in context their use of taxpayers' money for their parliamentary functions. However, this reference does not go far enough to explain how the organisation will specifically seek to do this. IPSA's proposals for ensuring that MPs regularly report to the electorate should set out the intended method and reason.
- the Strategy is a helpful document for anyone who wishes to understand more about the organisation's purpose and aims and should be published on IPSA's external website for the public's information.
- the Strategy should be disseminated internally and actively communicated to IPSA's staff. It will be important to involve the Board in the communication of the Strategy and plans for doing so should be developed over the coming weeks.

### 3.3 The Board agreed:

- to adopt IPSA's Strategy 2015–20, subject to the final drafting amendments requested;
- that IPSA's Strategy should be published externally; and
- that IPSA's Strategy should be disseminated internally and actively communicated to IPSA's staff.

#### **4. Draft Corporate Business Plan 2015-16**

- 4.1 The Chief Executive introduced the report which presented the draft of the Corporate Business Plan 2015-16. He noted that the Plan flows from the Strategy and that he would ensure there was consistency across both documents, in light of the Board's previous comments relating to IPSA's Strategy.
- 4.2 The Chief Executive explained the organisation's activities and milestones detailed in Appendix A of the Plan and noted that this was an indicative, rather than a definitive, list of the team's objectives in 2015-16. He sought the Board's views, in particular, on the organisation's proposed priorities and the review of IPSA's performance detailed in Appendix B of the Plan.
- 4.3 The Board endorsed the clarity and conciseness of the document and noted the following points:
- it will be important to ensure that the organisation's new Key Performance Indicators (KPIs) are aligned to the final priorities detailed in the Corporate Plan. These measures should be established and finalised over the coming months, for implementation at the start of the new financial year.
  - the Compliance Officer's KPIs are currently being developed, in consultation with the Chairman, to enable to the Board to review his performance by reference to these agreed measures and in the light of considerations of value for money, proportionality and the deterrence of improper behaviour. These KPIs will be shared with the Board for its review and comment in due course.
  - IPSA's summer 2014 annual survey of MPs and their staff showed an increase in the number who rated IPSA's support as good or very good and this should be clearly stated in the Plan.
  - it is expected that the organisation will, in the course of its thorough preparations ahead of the General Election, undertake an assessment of the likely number of MPs who will leave Parliament in May. However, the Plan should not go into the detail of specifying any particular prediction.
  - the number of priorities detailed in the Plan is high and consideration should be given to whether the number should be reduced to a smaller core number.
- 4.4 The Board endorsed the Corporate Business Plan 2015-16.

## **5. Communications Strategy: *Not for Publication***

5.1 The Board considered the report.

## **6. Scheme of Business Costs and Expenses Consultation: Emerging Findings and Recommendations**

6.1 IPSA's Policy Manager introduced the report which set out the emerging findings from the consultation for this year's review of the MPs' Scheme of Business Costs and Expenses ('the Scheme') and provided recommendations for the Board on the proposed rule changes for 2015-16.

6.2 The Head of Policy and Strategy also provided the Board with a presentation on the aspects of the consultation relating to MPs' staff pensions.

6.3 The Board considered each aspect of the consultation and agreed the changes to the Scheme, as follows:

### Requirements when starting, ending or amending a residential or office lease

- the Board agreed to amend the rules to emphasise that it is the MP's responsibility to notify IPSA when there is any change in their residential or office accommodation. This includes giving prior notification to IPSA when they move and when their direct rental payments cease or change.
- the Board noted that this change will ensure that MPs are aware of their responsibilities so that IPSA is not held responsible for any errors in rent where there has not been sufficient notification. This will make it easier to ensure that rental payments are paid correctly and on time and will reduce IPSA's administrative burden in chasing rent overpayments and deposit loans. It would also assist in ensuring that all arrangements are suitably aligned with IPSA's rules and strengthen its credit management processes.

### MPs' staff pensions

- the Board agreed to replace the reference to the non-qualifying Portcullis Pension Plan to "a pension scheme selected by IPSA";
- the Board agreed to end the facility for MPs' staff members to request pension contributions be made to an alternative pension scheme in the new Parliament.
- the Board also noted that IPSA will clearly explain the reasons for this position in any communications to MPs and their staff.

### Subsistence for MPs' staff (non-claimable journeys)

- the Board agreed to amend the rules to clarify that MPs' staff members can claim up to £25 per night for food and drinks only when the staff member's overnight stay is directly associated with a claimable journey under the Scheme.
- the Board agreed that one of the planned changes to the Scheme, in conjunction with the pay and pensions reforms, to reinstate the condition that the House of Commons must sit later than 11pm in order for MPs to claim a taxi, should be adopted.

## **7. Scheme of Business Costs and Expenses Consultation: Final Decisions on Budget Limits**

7.1 IPSA's Policy Manager introduced the report which sought final decisions from the Board on the budget levels for 2015-16, as part of the review of the MPs' Scheme of Business Costs and Expenses ('the Scheme').

7.2 The Board agreed:

### Office Costs Expenditure (OCE) budget

- to increase the OCE budgets by 0.5% for 2015-16, for both London Area and non-London Area MPs, to reflect CPI inflation as at December 2014.

### Staffing Expenditure budget

- to increase the Staffing budgets by 1% for 2015-16, for both London Area and non-London Area MPs.

### Accommodation Expenditure budget

- not to increase the rental accommodation budget for 2015-16; and
- to consider this budget in more detail, as well as the uplift for dependants and the associated expenditure budget, as part of the Accommodation Review after the General Election.

### Winding Up budget

- not to increase the Winding Up budget for 2015-16.

### Start Up budget

- not to increase the Start Up budget for 2015-16.

### London Area Living Payment

- not to increase the LALP and OLALP for 2015-16.

### Hotel costs

- not to increase the hotel limits for 2015-16; and
- to consider the hotel limit in more detail as part of the Accommodation Review after the General Election.

## **8. Publication of Receipts: Appeal and Next Steps: *Not for Publication***

8.1 The Board considered the report.

## **9. Funding of the Parliamentary Office of the Liberal Democrats (POLD) and the Parliamentary Support Team (PST): *Not for Publication***

9.1 The Board considered the report.

## **10. Report to IPSA's Board by the Compliance Officer**

10.1 IPSA's Compliance Officer introduced the report which detailed his current investigations, assessments and the cases that had been closed since the previous report to the Board.

10.2 The Compliance Officer noted, in particular, the progress made in relation to his investigation into the Travel Expenditure claimed by Bob Blackman MP, that focused on his 'in constituency' mileage claimed between January 2013 and the present day.

10.3 The Board noted the report.

## **11. Board's Programme of Work 2014-15**

11.1 The Head of Board and Chief Executive Office presented the Board's programme of work for the remainder of the financial year.

11.2 The Board endorsed its programme of work.

**12. Any other business**

- 12.1 The Head of Board and Chief Executive Office noted that the contract for Diligent Boardbooks, to enable IPSA's Directors and its Board to receive and review agendas electronically, had been finalised. The product was now ready for implementation.
- 12.2 The Head of Board and Chief Executive Office sought confirmation from the Board on who would be using the product, so that training could be organised accordingly.

Meeting closed.