



Minute

Minutes of a meeting of the Board of IPSA Wednesday 19 March 2014

Present	Sir Ian Kennedy, Chair Sir Neil Butterfield Liz Padmore Anne Whitaker Tony Wright Andrew McDonald, Chief Executive Nick Lee, Head of Board and Chief Executive Office	Mark Anderson, Head of Communications [items 1 – 10] Belinda Brown, Director of People, Performance and Pay [items 1 – 10] Philip Lloyd, Director of Finance and Operations [items 1 – 10] John Sills, Director of Policy and Communications [items 1 – 10] Judith Toland, Director of Change [items 1 – 10] Policy Manager [items 6 – 7] Senior Management Accountant [items 1 – 5] Head of Policy [items 6 – 7]
Apologies	None.	
Status	As approved for publication at the meeting of the Board on 30 April 2014.	
Publication	For publication. Section 12 not for publication.	

1. Welcome

1.1. The Chair welcomed the Board to the meeting.

Declarations of interests

1.2. There were no new declarations of interest.

2. Minutes of previous meetings and matters arising

IPSA/140319/1 – Minutes of a meeting of the Board, 4 March 2014; IPSA/140319/2 – Action list

Minutes of a meeting of the Board of IPSA, 4 March 2014

2.1. The Board approved for publication the minutes of the meeting of the Board of 4 March for publication, subject to a small number of amendments.

Nick Lee to arrange for the publication of the minutes of the meeting of the Board of 4 March 2014.

Action list and matters arising

2.2. The Board noted that:

- work was under way to implement a revised, streamlined approach to validation and it was hoped (although not yet confirmed) that it would be possible to implement this at the beginning of the 2014/15 financial year;
- the Director of People, Performance and Pay would be meeting officials from the Information Commissioner's Office during the following month to discuss the possible implications of an adverse decision by the Court of Appeal with respect to the publication of receipts; and
- possible changes to the publication website would be considered ahead of the publication of annualised data about MPs' claims, due to take place in September 2014.

2.3. There were no other matters arising.

3. General Election budget 2014/15 and 2015/16

IPSA/140319/3 + annex A – General Election Budget 2014/15 and 2015/16

3.1. The Director of Change introduced a paper setting out the budget for, and outline programme with respect to, IPSA's work ahead of, during and following the General Election expected to take place in May 2015. She reported, in particular, that:

- the total budget for this work would not exceed £3 million over two years, and in practice could be rather less. Work would continue both to refine IPSA's plans and the costs arising from them;
- while it would be possible to prepare for and deliver work relating to the General Election for less, a pared-down approach would be far less effective and would provide significantly less support to MPs and their staff; and
- comparisons between the proposed budget and the budget for work undertaken by IPSA in 2010 were difficult because the latter had included costs relating to IPSA's initial set-up.

3.2. The Board noted that:

- it would be important, in putting forward the outline programme for the General Election to the Speaker's Committee for the IPSA (SCIPSA), to articulate how success was to be measured and how this would subsequently be reported;
- training for IPSA's staff – both new and existing – was an important component of the programme of work ahead of the General Election; and
- it would be made clear, as part of the dissolution guidance issued to MPs during the following month, what they could and could not do with regard to their staff and resources during the dissolution period.

3.3. The Board agreed:

- to approve the General Election budget (£1.50m in 2014/15 and £1.49m in 2015/16) for inclusion in the Estimate for each of those years;
- to note the outline of the programme of work ahead of, during and following the General Election expected to take place in May 2015; and
- that IPSA's bid to SCIPSA for funding in 2014/15 should make clear that, while there were less costly ways of delivering work arising from the General Election, such approaches had significant associated risks and disadvantages.

4. Estimate 2014/15 and Corporate Plan 2014-18

IPSA/140319/4 + annexes A + B – Estimate 2014/15 and Corporate Plan 2014-18

Estimate 2014/15

4.1. The Director of Finance and Operations introduced the draft Estimate for 2014/15. He noted, in particular, that the draft Estimate presented had been revised following the discussion at the meeting of the Board on 29 January 2014. Once approved by the Board, it would be submitted to the SCIPSA.

4.2. The Board noted that:

- while the cost of delivering the General Election was shown separately within the Estimate, this work would necessarily also have associated opportunity costs arising from staff being taken away from their business-as-usual responsibilities; and
- the move to 30 Millbank, expected to take place at the end of April, would provide a further opportunity to reduce IPSA's costs in future years.

4.3. The Board agreed to approve the draft Estimate for 2014/15 for submission to SCIPSA.

Philip Lloyd to arrange for the submission of the draft Estimate to the SCIPSA.

Corporate plan 2014–18

4.4. The Director of People, Performance and Pay introduced the revised draft Corporate Plan for 2014 – 18, taking account of earlier comments at the meeting of the Board on 29 January 2014.

4.5. The Board noted that, while the Corporate Plan was a matter for the Board (and so not for approval by SCIPSA), it nevertheless provided the context for the Estimate for 2014/15.

4.6. The Board agreed to approve the Corporate Plan for 2014–18.

5. Review of Board's effectiveness 2013/14

IPSA/140319/6 – Review of Board's effectiveness

5.1. The Head of Board and Chief Executive Office introduced a paper setting out a set of proposed objectives and action plan arising from the discussion of the Board's effectiveness at the meeting of the Board on 4 March. He noted, in particular, that:

- some additional time would need to be identified in the Board members' diaries to accommodate additional meetings (e.g. with groups of MPs);
- a paper on the future development of liaison arrangements between IPSA and MPs would be brought to the Board in May; and
- once agreed, time would be set aside at the meeting of the Board in September 2014 to review progress.

5.2. The Board agreed to approve the objectives and action plan, subject to a small number of amendments.

Nick Lee to circulate final version of action plan arising from the review of Board effectiveness.

6. Pay bands for MPs' staff in 2014/15

IPSA/140319/X1 – Increases to MPs' staff payband maxima

- 6.1. The Director of Policy and Communications introduced a paper proposing increases to the payband maxima for MPs' staff to accommodate a 1% pay increase from 1 April 2014, if MPs chose to make such an award, for those at the top of their band.
- 6.2. The Board agreed to increase the payband maxima for MPs' staff by 1% from 1 April 2014.

John Sills to communicate to MPs' and MPs' staff changes to payband maxima from 1 April 2014.

7. Contingency applications: Principles and policy

IPSA/140319/7 – Contingency applications: Principles and policy

- 7.1. The Director of Policy and Communications introduced a paper setting out the principles guiding the operation of the contingency panel.
- 7.2. The Board agreed:
- to consider as part of a future review of MPs' staffing budgets the purpose to which funding provided by IPSA was put and how this might be taken account of in calculating the appropriate level of budget;
 - to continue with its policy, as now, of not allowing increases in 2014/15 in MPs' staffing budgets solely as a result of casework;

- to continue to allow uplifts to MPs' staffing budgets where these arose as a result of uplifts agreed in previous financial years; and
- to consider, during the financial year 2014/15, what IPSA's policy with respect of contingency uplifts should be in the new Parliament.

Nick Lee to make arrangements for the Board to review the policy on contingency applications in the new Parliament.

8. Finance Report

IPSA/130319/8 + annexes A + B – Finance Report

8.1. The Director of Finance and Operations introduced a paper setting out IPSA's financial position as at 28 February 2014. He reported, in particular, that:

- forecasts suggested that subhead A of the Estimate (relating to MPs' salaries, staffing, costs and expenses) would be underspent by about £5m (less than 3%); and
- with respect of subhead B (IPSA's own operations), he anticipated a slight underspend.

8.2. The Board agreed to note the report of the Director of Finance and Operations.

9. Compliance Officer's report

9.1. The Compliance Officer provided an oral report on his work over the preceding month. He reported, in particular, that a new Compliance Officer website would be launched later that month, with new branding and content, and an improved process to allow the public to submit complaints for consideration.

9.2. The Board agreed to note the report of the Compliance Officer.

10. Chief Executive's report

IPSA/140319/9 + annexes A – D – Chief Executive's report

10.1. The Chief Executive introduced a report setting out his work over the preceding month. He reported, in particular, that:

- a survey had been conducted on IPSA's behalf by ComRes, asking about public confidence in MPs' costs and expenses. While the results of such surveys were influenced by a number of factors outside IPSA's control, it provided helpful context for its work; and
- he had been discussing with the House of Commons proposals for the introduction of an employee assistance programme for MPs' staff. It was by no means clear that this would be a matter for IPSA but he would provide a further report to the Board if there were any developments.

10.2. The Board agreed to note the report of the Chief Executive.

General Election programme

10.3. The Director of Change introduced a report on the progress of the General Election programme. She noted that such a report would henceforth be provided monthly to the Board.

10.4. The Board agreed to note the report of the Director of Change.

11. Any other business

Audit and Risk Assurance Committee: Terms of reference

11.1. The Board noted that:

- the Audit and Risk Assurance Committee (ARAC) had the delegated authority of the Board to consider and agree IPSA's approach to risk and the management thereof; and
- in future, minutes of meetings of the Audit and Risk Assurance Committee would be brought to the Board for approval.

Nick Lee to ensure that arrangements are in place for the Board formally to agree minutes of the ARAC.

Andrew McDonald

11.2. The Chair reported that the meeting was the last meeting of the Board to be attended by Andrew McDonald as Chief Executive who was retiring on the grounds of ill-health.

11.3. The Board noted that:

- Andrew had provided significant leadership to IPSA over the preceding four years, when the status of IPSA had been – at times – perilous. The Office of Government Commerce had said that Andrew had ‘achieved the impossible’ as regards IPSA’s establishment;
- his judgement in a range of areas had proved a significant asset to the organisation; and
- he had demonstrated significant personal courage, not just in his professional life and on behalf of IPSA but also in the way he had responded to his ill-health.

11.4. The Board agreed to record its thank to Andrew McDonald for all that he had done for IPSA during his four years as Chief Executive.