

**Minutes of a meeting of the Board of IPSA
Tuesday 18 October 2011, 3.00pm**

Present	Sir Ian Kennedy (Chair)	Mark Anderson, Communications Manager <i>[items 3 and 7]</i>
	Jackie Ballard	Louise Edwards, Policy Manager <i>[item 5]</i>
	Sir Scott Baker	Lucy Pickering, Assistant Policy Manager <i>[item 5]</i>
	Isobel Sharp	
	Ken Olisa	
	Andrew McDonald, Chief Executive	
	Bob Evans, Director of Finance <i>[items 1 – 7]</i>	Nick Lee, Head of Board and Chief Executive Office
	Anne Power, Director of Communications <i>[items 1 – 7]</i>	Kiran Virdee, Assistant Private Secretary
	John Sills, Director of Policy <i>[items 1 – 7]</i>	
	Scott Woolveridge, Director of Operations <i>[items 1 – 7]</i>	

Apologies None.

1. Welcome

1.1. The Chair welcomed the Board to the meeting.

1.2. The Chair reported that around seventy applications had so far been received for the post of Compliance Officer, and that the HR Manager would be processing these accordingly.

2. Minutes and matters arising

Papers: IPSA/181011/1A and 1B: Minutes; Ongoing Actions

2.1. The minutes of the 4 October 2011 Board meeting were approved for publication, subject to a number of minor corrections.

Matters arising

2.2. The Director of Communications reported that the IPSA website was now compliant with the w3c standard for websites.

2.3. The Director of Operations reported that he had sought a further meeting with Hillgate Travel to discuss the direct provision of evidence relating to claims for train travel to IPSA, and that the new arrangement with thetrainline.com would not prejudice such an arrangement being put in place with Hillgate Travel in the future.

Committee on Members' Expenses

2.4. The Chair reported that both the Compliance Officer and Sir Christopher Kelly would be giving oral evidence to the Committee on Members' Expenses (CME) later that day.

Pay and pensions

2.5. The Chair reported that the House of Commons had passed the Government's motion giving IPSA the power to set MPs' pensions and that he had now written to the statutory consultees, setting out IPSA's proposed approach to MPs' pay and pensions.

2.6. The Director of Policy noted that if IPSA wished to introduce an interim measure in April 2012 it would need to decide to do so before the end of November.

2.7. The Board agreed, in the light of the invitation from the House of the Commons to increase MPs' contributions from April 2012, to consider the question of an interim increase in MPs' pension contributions at its meeting in November.

3. Streamlined validation

Papers: IPSA/181011/2: Streamlined validation

3.1. The Director of Operations introduced a paper proposing that IPSA change its approach to the validation of claims to enable it to focus its validation processes more particularly on those claims where there was a greater of the need for assurance. He noted that:

- the Board had considered a report on an earlier trial at its meeting on 4 October;

- IPSA's ability to disaggregate the risk of different types of claims had increased considerably over the last year, in the light of experience;
- the risk to the public purse arising from the proposed approach was very low;
- the change of approach would enable IPSA to process claims more effectively and efficiently and was also likely to improve the performance of IPSA's information services; and
- the proposed approach would continue to allow IPSA to be flexible in its approach – to focus on types of claims and periods of claiming (such as around an election) where the risk of a claim being paid inappropriately was higher.

3.2. The Board noted that the revised process would continue to call for levels of checking of claims, both before, during and after claims were paid and published, and that IPSA's assurance activities would continue to be used to identify problematic claims.

3.3. The Board also noted that IPSA had received written assurance from the National Audit Office that they were satisfied with the proposed approach.

3.4. The Board agreed:

- that IPSA should adopt the proposed approach to validation;
- that it should be kept informed as an implementation plan was developed;
- that it was important that any such change in processes should yield real savings; and
- that it would consider further proposals on the realisation of savings before the end of the financial year.

4. Public Accounts Committee: IPSA's response

Papers: IPSA/181011/3: Response to Public Accounts Committee

4.1. The Communications Manager introduced a paper enclosing a draft response to the Public Accounts Committee's report of 23 September.

4.2. The Board agreed that the response should:

- robustly set out IPSA's position as a regulator, and that the response should emphasise this;
- reflect the progress already made in reducing processing costs; and

- emphasise the role of MPs both in rendering an account for the use of public money and taking responsibility for the submission of claims.

4.3. The Board also agreed that it should consider further opportunities for central procurement and bulk purchasing alongside those already under active consideration.

5. Review of the MPs' Expenses Scheme

Papers: IPSA/181011/4: Draft consultation document for the 2011-2012 annual review of the MPs' scheme of expenses and costs

5.1. The Director of Policy introduced a draft consultation document for the forthcoming annual review of the MPs' scheme of expenses and costs. He noted that the consultation would, in particular, focus on MPs' staffing and the distinction between parliamentary and party-political activity.

5.2. The Board welcomed the draft of the consultation document, and thanked the Policy Manager and Assistant Policy Manager for their work on it.

5.3. The Board agreed that:

- the foreword to the annual review should be forward-looking;
- the consultation document should include a substantial section on the distinction between parliamentary and party-political activity;
- where any proposed change to the Scheme had cost implications, these should be explicitly addressed; and that
- the practical implications of any prospective rule change should be addressed when the Board considers the outcomes of the consultation.

5.4. The Board agreed to sign off a revised draft of the consultation document at its meeting on 18 November.

6. Finance Report

Papers: IPSA/181011/5: Management accounts

6.1. The Director of Finance introduced the management accounts for the half-year to the end of September 2011. He reported that:

- subhead A (MPs' expenditure) was still ahead of budget and current rates of spending meant a projected overspend of £2m against the budget of 90% agreed by the Speaker's Committee for the IPSA;
- the Board would need to make a decision as to whether to call on IPSA's departmental underspend provision (DUP) at its meeting in November, but that the Board did not yet need to make a definite decision; and
- while IPSA's staffing costs were currently ahead of those budgeted, the rate of spend in this area was likely to fall later in the year.

6.2. The Board noted that the management accounts reflected a stronger position than those presented at the last meeting. The Board also noted:

- that the increased rate of spending on the Board's salaries reflected the increased levels of scrutiny to which IPSA had been subject in 2011/12, and the consequent increased workload;
- that the Chief Executive had been on leave for medical reasons for part of the year and, as a consequence, the Chair had spent more time in the office than he otherwise would have done; and
- that it was concerned about variances in some areas of the management accounts, but that these were being addressed.

7. Chief Executive's report

Papers: IPSA/181011/6 and 7: Chief Executive's report; Board update

7.1. The Chair noted the successful implementation over the weekend of a number of service improvements, and expressed his thanks to the Director of Finance and Corporate Services, the Director of Operations, the MP Training Manager, the Senior Operations Manager, the Head of IT and Data Security, the Communications Manager and the Change Manager for their contribution to this outcome.

7.2. The Board agreed that more data should be provided in the reports of the contingency panel.

7.3. The Board agreed that reports on Freedom of Information requests should be complemented by a periodic analysis of trends and patterns in requests.

7.4. The Board noted that the joint seminar between IPSA and the Institute for Government and Oxford University would take place on 16 November.

7.5. The Board noted that the MP Training Manager had filmed a video demonstrating the new features of the online expenses system and that this was now available to be viewed through the IPSA website.

9. Any other business

There was no other business.

Meeting closed