

Minutes of the IPSA Board Meeting – Tuesday 4 October 2011: 2.30pm – 4.10pm

Present:	Sir Ian Kennedy (Chair)	John Sills, Director of Policy [items 1 – 9]
	Sir Scott Baker	Martyn Taylor, Compliance Officer [items 6, 10]
	Isobel Sharp	Scott Woolveridge, Director of Operations [items 7 – 9]
	Ken Olisa	Taffy Yiu, Publications Manager [item 5]
	Andrew McDonald, Chief Executive	Nick Lee, Board and Chief Executive Office
	Belinda Brown, Head of Performance and Change	Kiran Virdee, Board and Chief Executive Office
	Victoria Elliott, Change Manager [item 7]	
	Karen Hennessy, HR Manager [item 10]	
	Anne Power, Director of Communications [items 1 – 5, 7 – 10]	
Apologies:	Jackie Ballard	
	Bob Evans, Director of Finance	

1. Welcome

- 1.1. The Chair welcomed the Board and noted that apologies had been received from Jackie Ballard and Bob Evans.

2. Minutes and matters arising

Papers: IPSA/041011/1A- 1B: Minutes; Ongoing Actions

- 2.1. The minutes of the 20 September Board meeting were approved for publication, subject to a number of minor corrections.

Matters arising

- 2.2. The Chief Executive noted that the paper on risk-based validation would now be taken at the meeting of the Board on 18 October, taking into account the Board's earlier request that it should address other approaches to the validation of claims.
- 2.3. The Chair asked the Chief Executive to make arrangements for the Board to review in due course the implications, in terms of the effect on IPSA's efficient working, of its decision to nominate a member of the executive as a trustee of the Parliamentary Contributory Pension Fund.

3. Committee on Members' Expenses

Papers: IPSA/041011/2 – Committee on Members' Expenses;

- 3.1. The Chair welcomed the draft submission prepared by the Director of Policy, and noted that the Board had held a preliminary discussion at its conference call on 3 October. He further noted that the Director of Policy would be producing a revised draft of the submission and that, taking into account the Board's comments, he hoped to sign off a draft for submission to the Committee on Members' Expenses no later than 13 October 2011.
- 3.2. The Board agreed:
 - that the submission should explicitly address the 40 questions put to the Chairman at his appearance before the Committee on 13 September, making reference where relevant to material elsewhere in the submission and to answers given on 13 September 2011; and
 - that the submission should further emphasise the regulatory nature of IPSA's role as being the context in which services to MPs are delivered.

4. Risk-based validation

Paper: IPSA/041011/3 – Risk-based validation

The Board agreed consider a revised version of the paper on risk-based validation at its meeting on 18 October.

5. Approaches to publication

Paper: IPSA/041011/4 – Future approach to publication

- 5.1. The Director of Communications introduced a paper reviewing IPSA's approach to the publication of the MPs' claims for costs and expenses. In particular, the paper considered:
 - what changes, if any, should be made to the frequency of publication (currently bi-monthly);

- whether further investment should be made to allow for the semi-automation of publication processes; and
- whether IPSA should make a number of other incidental improvements to its existing publication processes.

Frequency of publication

- 5.2. The Board noted that the existing arrangements had matured into an established routine and that were now largely understood by the public. It further noted that a decision to publish claims less frequently might give the impression that the system was becoming less transparent while only producing a small cost saving.
- 5.3. The Board agreed to maintain the current cycle of bi-monthly publication.

Semi-automation

- 5.4. The Board noted that the cost of introducing semi-automation would be between £50,000 and £60,000 and that it would take around six years to recover the cost. It further noted that this money would have to come from the portion of IPSA's Estimate that might otherwise be used to fund improvements to the publication website and hence to improve transparency and usability.
- 5.5. The Board also noted that the forthcoming IT workshop would be an opportunity to look at the IT used in the publication of claims alongside IPSA's other systems.
- 5.6. The Board agreed not to invest in the semi-automation of its publication processes given the anticipated low return on investment and given the importance of using the funds available to improve transparency and the usability of the existing publication website.

Improvements to processes

- 5.7. The Board agreed to introduce a facility to record repayments within the online expenses system.
- 5.8. The Board agreed to implement a revised, more cost-effective, approach to quality assurance of redaction given the high accuracy of IPSA's redaction processes.
- 5.9. The Board agreed that IPSA should continue its current approach to redacting data for publication on behalf of MPs and their staff.

6. Compliance Officer: Report and resourcing

Paper: IPSA/041011/5 – Compliance Officer’s report, including resourcing assessment and joint statement

- 6.1. The Compliance Officer introduced a report on his office’s recent activities, proposals for the future resourcing of the Compliance Office and a draft joint statement between IPSA and the Compliance Officer and the Metropolitan Police and the Director of Public Prosecutions.

Joint statement

- 6.2. The Compliance Officer noted that he had circulated a near-final draft joint statement.
- 6.3. The Board agreed to consider and agree the final draft of the joint statement through correspondence.

Report

- 6.4. The Board noted the encouraging progress over the recent months as set out in the Compliance Officer’s report. In particular, the Board noted:
- the Compliance Officer’s concern about the need to identify as early as possible complaints which were groundless or politically motivated;
 - that the Compliance Officer would be appearing before the Speaker’s Committee for the IPSA, alongside the Chair, on 12 October; and
 - that the Compliance Officer would be giving oral evidence to the Committee on Members’ Expenses on 18 October.
- 6.5. The Compliance Officer also reported that on 11 October he would be publishing details of those investigations he had recently closed. Of those investigations into websites containing party-political logos, he noted that some MPs had chosen, as a consequence, to self-fund their websites and others (who in the circumstances had not been required to make repayments) had adjusted their sites so that they were now compliant with the rules of the *MPs’ Expenses Scheme*.

Resourcing

- 6.6. The Board welcomed the Compliance Officer’s proposals for the resourcing of his office.
- 6.7. The Board also noted:
- that the proposed resourcing of the office allowed for external expertise to be engaged as required;
 - that any flexibility of staff within his office to work elsewhere in IPSA would be limited by the need to avoid conflicts of interest;

- that the resourcing needs of the office may increase in the financial years 2014/15 and 2015/16, around the time of the next anticipated general election; and
- that it was important that the cost of overheads was kept under tight control.

7. Service improvements programme

Papers: IPSA/041011/6 – Service improvement programme

- 7.1. The Director of Operations introduced a paper on improvements in IPSA's service to be introduced in October.
- 7.2. The Director of Operations noted that further progress had been made with respect to the centralised purchasing of train tickets through a web portal but that he was not yet able to confirm whether this would be included in the package of changes to be launched on 17 October.
- 7.3. The Director of Operations also noted that efforts to enter into an arrangement with Hillgate, who run the House of Commons Travel Office, had previously been unsuccessful but a further final effort would be made. The Board reaffirmed its view that IPSA should seek to enter into such an arrangement if this could be made possible, and welcomed the efforts already made by the Executive to do so.
- 7.4. The Board agreed that it should consider carefully the wording of any public announcement of IPSA's revised approach to the acceptability of copy evidence.
- 7.5. The Board agreed that the Audit and Risk Committee should consider further IPSA's existing capital expenditure on IT at its meeting on 18 October.

8. Finance report

Papers: IPSA/041011/7 + annexes A - B – Finance Report

- 8.1. The Chief Executive introduced the Director of Finance's report in his absence. He noted:
 - that IPSA's spending against budget remained tight in respect of both subhead A (MPs' pay, staffing costs and expenses) and subhead B (IPSA's Operations) of its Estimate;
 - that the Board would be considering later in the year whether it needed to seek a supplementary estimate from the Speaker's Committee for the IPSA in respect of subhead A for the remainder of the year;
 - that more work was needed to address the cost pressures under subhead B and that a further report would be supplied to the Board meeting as part of a future discussion of the sustainability programme; and

- that there remained a need for continued tight control over additional commitments.
- 8.2. The Board noted the upturn in MPs' spending on professional services in July/August 2011, chiefly arising from payments to pooled research services.
- 8.3. The Board agreed that it would be important for it to take a decision whether to seek a supplementary estimate with sufficient evidence to make an informed decision.

9. Chief Executive's report

Papers: IPSA/041011/8 + annex A – Chief Executive's report

- 9.1. The Chief Executive introduced his report, enclosing the earlier report of the Acting Chief Executive carried over from the meeting of 4 October.
- 9.2. The Board agreed that, if possible, IPSA should seek to promote forthcoming improvements in its service through a demonstration video.

National Audit Office and Public Accounts Committee

- 9.3. Isobel Sharp noted that:
- Aileen Murphie, the National Audit Office director responsible for the recent value-for-money study on IPSA, would be attending the Audit and Risk Committee meeting on 18 October; and that
 - the NAO audit director responsible for IPSA was now Bryan Ingleby.
- 9.4. The Board noted that its response to the report of the Public Accounts Committee would be considered at the Board meeting on 18 October, but that the final version could be signed off through correspondence after that date if further work was subsequently needed.

IPSA website

- 9.5. The Board agreed that, while there was no need for the IPSA website to achieve the Crystal Mark, it was important that it was compliant with the Disability Discrimination Act and other relevant benchmarks.

10. Compliance Officer: recruitment

Papers: IPSA/041011/9 + annexes A – C – Recruitment of a Compliance Officer

- 10.1. The HR Manager introduced a paper setting out proposals for the recruitment of a Compliance Officer.

10.2. The Board agreed the proposed timetable for the recruitment, and that – subject to the Board’s further comments – the Chair should sign off the job description before the end of the week.

Job description

10.3. The Board agreed that:

- the post should be advertised at £30,000 per annum (with more available for exceptional candidates) on the expectation of a workload of 2 days per week;
- the job description should provide for some flexibility as to the time commitment required; and that
- this time commitment should be reviewed after the first full year of the appointment.

Approaches to recruitment

10.4. The Board agreed that recruitment should be primarily by means of online advertising.

10.5. The Board agreed that the panel of selection should include the Chair, an independent person and one other Board member.

11. Any other business

There was no other business.

Meeting closed.