



Minute

Minutes of a meeting of the Board of IPSA Tuesday 21 February 2012, 2.30pm

Present	Sir Ian Kennedy (chair)	Nick Lee, Head of Board and Chief Executive Office
	Sir Scott Baker	
	Jackie Ballard	
	Ken Olisa	Louise Edwards, Policy Manager (items 3 - 5)
	Isobel Sharp	Tony Lord, Head of Policy (items 3 - 4)
	Andrew McDonald, Chief Executive	Lucy Pickering, Assistant Policy Manger (items 3 - 4)
	Belinda Brown, Head of Performance and Change	Peter Davis, Compliance Officer (item 5)
	Bob Evans, Director of Finance and Corporate Services	
	Anne Power, Director of Communications (item 3)	
	John Sills, Director of Policy	
	Victoria Elliott, Change Manager	

Apologies None.

Status Final for publication.

Publication For publication no later than 14 May 2012.

1. Welcome

1.1. The Chair welcomed the Board to its last full meeting until 3 April 2012. He noted that:

- the Board would be attending a conference call on 8 March 2012 in order to offer final suggestions on the report of the consultation on increases in MPs' pension contributions; and
- a final draft of the report of the consultation on increases in MPs' pension contributions would then be circulated before being signed off, on behalf of the Board, by the Chair.

Declarations of interests

1.2. Jackie Ballard reiterated her earlier declaration of an interest with respect to any discussion of MPs' pensions as an inactive member of the Parliamentary Contributory Pension Fund.

2. Minutes and matters arising

IPSA/210212/1A: Minutes, 07/02/12; IPSA/210212/1B: Action list

2.1. The Board approved the minutes of the meeting of the Board of 7 February 2012, subject to a number of amendments.

Nick Lee to arrange for the publication of the minutes of the meeting of the Board of 7 February 2012.

Recording of dissent

2.2. The Chair noted that the Board had agreed at its meeting in February 2011 that dissent should be recorded where individual Board members disagreed strongly with a particular decision.

2.3. The Board reaffirmed that:

- dissent would be recorded when a Board member so requested;
- where dissent was recorded, ordinarily it should not be attributed to the member(s) dissenting, unless such attribution was specifically requested; and
- where dissent was recorded, it should not seek to set out the ground on which it had been registered.

- 2.4. The Board agreed that a paper on the minutes generally and what was recorded should be prepared for a future meeting, providing the context in which Board's decisions on dissent could be set out.

Matters arising

- 2.5. The Director of Communications reported that improvements to the publication website, which were scheduled for implementation in April 2012, might be set back as a consequence of personnel changes.

Anne Power to provide a further report to the Board on the implementation of improvements to the publication website in advance of its meeting on 17 April 2012.

3. Consultation on the MPs' Scheme of Business Costs and Expenses

IPSA/140212/2: Staffing Budget Options and Sequence with SCIPSA;

IPSA/140212/3: The draft Scheme of MPs' Expenses and Costs, report on Annual Review Consultation, and the Equality Impact Assessment

- 3.1. The Director of Policy introduced a paper setting out the options for changes to MPs' staffing budgets, and for the presentation of any such change within IPSA's Estimate.
- 3.2. The Policy Manager reported that, since the meeting of the Board on 7 February 2012, further work had been carried out in order to set out the options for changes to the basis on which the staffing budget for MPs was calculated.
- 3.3. The Board noted:
- the figures for IPSA's Estimate in 2012/13 with respect to MPs' business costs and expenses were based on past patterns of expenditure and, therefore, likely outturn;
 - the lay members of the Speaker's Committee for the IPSA (SCIPSA) would be engaged in the Estimate process earlier than in previous years, so as to ensure that the SCIPSA had an opportunity fully to understand the decisions underpinning IPSA's Estimate; and
 - it was possible that MPs' staff would gain experience through the life of a Parliament that would warrant their moving up the salary range.

- 3.4. The Board agreed that the staffing budget should be increased, to £137,200 for non-London area MPs and £144,000 for London-area MPs, on the basis of:

- a complement of 4 full-time equivalent (FTE) staff;

- a model office of an Office Manager, a Senior Parliamentary Assistant and two caseworkers; and
- staff salaries based at the 60th percentile of the pay range in each case to reflect the need for scope for salary progression.¹

3.5. The Board also agreed:

- that these figures were budgets, not allowances, and it was for MPs to make a judgement as to how, and to what extent, they should be spent; and
- when the new Scheme was published it should be made clear that these budgets were subject to the approval by SCIPSA of IPSA's Estimate and that, therefore, MPs should make provision for the possibility that these budgets might be reduced by SCIPSA before it approved IPSA's Estimate for 2012/13.

3.6. The Board noted the estimated increased in cost arising from changes to the redundancy arrangements for MPs' staff agreed at its meeting on 7 February 2012.²

Review of the MPs' Scheme of Business Costs and Expenses

3.7. The Assistant Policy Manager introduced the draft Scheme, report on the review and Equality Impact Assessment. The Board agreed that:

- MPs should be able to claim for the cost of staff railcards, where they represented value for money over the course of a year, from the Travel and Subsistence Expenditure budget;
- the limit on claims arising from a recall of Parliament of £3,750, agreed at the meeting of the Board on 7 February, should remain in place, but it be made known that contingency arrangements should be available to those MPs where they might reasonably exceed that limit; and
- the entire Board should sign the foreword to the Scheme, consistent with past practice.

3.8. The Director of Policy introduced the draft response to the report of the Committee on Members' Expenses. He noted that a number of recommendations were matters for Parliament rather than for IPSA, and that while this would be indicated in each case, IPSA's view in each case would also be set out.

¹ One Board member wished to record a dissent to each of the decisions at 3.4.

² One Board member wished to record a dissent to the decision on MPs' redundancy arrangements reached at the meeting on 7 February 2012.

3.9. The Board agreed that the next meeting of the IPSA-MP liaison group should be used to discuss the new facility for MPs to run their own staffing budget reports.

3.10. The Board agreed that, subject to the amendments proposed at the meeting and to any further amendments to be provided by correspondence, that the Chair should approve and sign off, on behalf of the Board, the report on the review, the revised Scheme and the Equality Impact Assessment, for publication in March 2012.

Louise Edwards/Lucy Pickering to incorporate further amendments to the report on the review, the revised Scheme and Equality Impact Assessment for signoff by the Chair on Monday 27 February 2012 and for publication thereafter.

4. Estimate 2012/13

IPSA/210212/4: IPSA main Estimate 2012-13

4.1. The Director of Finance introduced the draft Estimate for 2012/13. He reported that:

- the basis on which subhead A was calculated had been changed: the figures reflected likely outturn rather than maximum expenditure;
- the portion of the Estimate for IPSA's own costs, subhead B, had changed, and it now included a 10% year-on-year savings on IPSA's staffing costs;
- he hoped shortly to reach an agreement with a sub-tenant for IPSA's office space, allowing it to reduce its accommodation costs for 2012/3, 2013/4 and 2014/5. IPSA had received, and he was negotiating, an offer which represented value for money;
- the level of the savings set out in the Estimate depended on IPSA realising savings with respect to its accommodation, and if an agreement were reached that contained a break clause then this might limit the extent to which these savings could be realised in subsequent years; and
- while it was difficult to compare IPSA's Scheme to the old scheme run by the House of Commons on a like-for-like basis, the revised Estimate remained lower than that of the last full year of the old scheme.

4.2. The Board agreed the draft Estimate for submission to the Speaker's Committee to the IPSA, subject to its agreement that:

- the Director of Finance and Chief Executive should consider making provision for a greater unallocated provision, alleviating the risk of an overspend; and

- further work should be carried out so as to ensure that the Estimate and any changes between years could be easily understood.

4.3. The Head of Performance and Change reported that:

- work had been carried out to establish a forward plan for working with SCIPSA, starting with a technical seminar on 29 February 2012; and
- the Estimates process would be completed by May or June 2012, subject to parliamentary business and any issues arising during SCIPSA's scrutiny of the Estimate.

4.4. The Chief Executive reported that IPSA's corporate plan, an early draft of which the Board had reviewed at its meeting on 7 February, would be circulated in early March before being finalised later that month.

Nick Lee to make arrangements for the Board to consider the revised corporate plan at its conference call on 8 March 2012.

Bob Evans to consider whether the unallocated provision within the Estimate for 2012/13 should be increased.

Bob Evans to arrange for the submission of the final draft Estimate for 2012/13 to SCIPSA.

5. Compliance Officer's report and Key Performance Indicators

IPSA/210212/5: Report of the Compliance Officer

5.1. The Compliance Officer reported that:

- the second edition of the procedures previously agreed by the Board had been published and was now in place;
- he had written to all MPs to inform them of his appointment and had received a positive response; and
- he had now produced an initial set of Key Performance Indicators (KPIs) for his office, for consideration by the Board, and which – once introduced – would be relatively straightforward to monitor.

5.2. The Board agreed:

- the proposed KPIs (which addressed the time taken to complete investigations, the publication of investigations, the time take to carry out assessments and the awareness of the Compliance Office) should be adopted; and
- the Compliance Officer should consider whether it would be appropriate to introduce a further KPI with respect to the number of complaints he received.

Peter Davis to arrange for the implementation of his finalised KPIs from 1 April 2012.

6. Finance Report

IPSA/210212/7: January management accounts

6.1. The Director of Finance reported that:

- the unallocated provision for 2011/12 with respect to MPs' business costs and expenses, which had been drawn down, was almost certain now to be needed; and
- he expected an underspend on IPSA's own administration costs, although the size of this underspend would depend in part on costs arising from the work to reduce the cost of IPSA's accommodation in forthcoming financial years.

7. Chief Executive's report

IPSA/210212/8: Chief Executive's report;

IPSA/210212/9: Board Information Update

- 7.1. The Director of Operations reported that he was confident of hitting IPSA's key performance indicator (KPI) targets for validation, not least as a consequence of the introduction of a new process for streamlined validation.
- 7.2. The Board agreed that it should consider IPSA's engagement with the SCIPSA at a future meeting.

Nick Lee to include in the Board forward agenda a slot for consideration by the Board of its engagement with SCIPSA.

7.3. The Board agreed that the date for the workshop on pay and pensions should be brought forward, and the papers for this workshop should include a clear timetable for Board decisions.

Nick Lee to revise the timing of the planned pay and pensions workshop and to circulate a timetable for and the Board's engagement in this work.

8. Any other business

Secure access to documents

8.1. The Board noted the unsatisfactory nature of the current arrangements and that a new facility would be introduced over the coming weeks which would offer improved access to Board papers and other protectively-marked materials.

The meeting was closed.