

CORPORATE PLAN 2013-17

INTRODUCTION

1. This plan sets out IPSA's strategy and priorities for the period 2013-2017 as the independent body responsible for regulating and administering MPs' business costs and expenses, their pay and their pensions. It updates and revises IPSA's second Corporate Plan, published in 2012.
2. In 2013, IPSA will be embarking on a new phase: we have a new Board, appointed in January, and with the Scheme of Business Costs and Expenses now largely established and the review of pay and pensions concluding towards the end of the year, the focus of our work is shifting. We believe that we are now established as an organisation and a regulator, although we recognise that there is work still to be done, both in terms of our interactions with MPs and our role helping to re-build public confidence. In particular, we are in no doubt that reaching a conclusion and implementing the recommendations of the review of pay and pensions will be demanding and will require work to develop a greater level of public understanding about the role of Members of Parliament.
3. 2012-13 has been a successful year for IPSA. We have continued to review and consult on the Scheme of Business Costs and Expenses and the fifth edition went live on 1 April 2013. We launched our comprehensive review of MPs' pay and pensions in May 2012 and the first consultation paper, published in October 2012, was well received. The results have been drawn into work on the formal consultation, due to be launched in July 2013.
4. Following the National Audit Office's Value for Money study in 2011, the Public Accounts Committee published its report on IPSA in September 2011. During the course of 2012-13, we have worked closely with the NAO to respond to six recommendations about the way that IPSA administers the Scheme. By the end of the year, the NAO were content that four of these recommendations had been addressed, and that work on the last two recommendations was on track to be concluded by July 2013.
5. We have, throughout, continued to administer the Scheme of Business Costs and Expenses efficiently and effectively, introducing adjustments and improvements to our systems including: improvements to our guidance; further direct payment options to reduce the proportion of expenses that MPs need to meet upfront; and staff budget reports and self-service online time sheets for MPs' staff. All, we believe, will assist MPs in their use of the system. We revised our publications website, where we provide details of expense claims on a bi-monthly basis, adding new functions to improve accessibility and searchability. We also completed the sustainability programme, and delivered an overall saving of 5.2% in 2012-13, reducing our headcount by a further 7.5% and cutting our office space by half, delivering a saving of £310k per annum. A key part of this programme was an increased emphasis on the development of our teams and we have carried out a number of individual and IPSA- wide development activities during the course of the year improving our skills and capabilities.

6. At the same time, we have maintained impressive performance levels, meeting all our operational performance targets. We reimbursed claims within an average of 9.6 working days and responded to over 95% of written queries within 5 working days (and over 80% within 3 working days).
7. In July 2012, we conducted a survey of MPs which provided a valuable insight into their views of our systems and administration. Overall, the results were encouraging, and showed increased levels of satisfaction in a number of important areas. However, we recognise that some MPs still find aspects of the system burdensome. The survey produced a number of recommendations for us to consider and these will play an important part in our future business planning, in revisions to the Scheme and in adjustments to the online expenses system.
8. The assessment of risk and our approach to risk and assurance are central to our work. We continue to operate an assurance and review programme which reflects the IPSA Board's risk appetite. During the course of the year, this programme demonstrated both a high level of compliance with the Scheme among MPs and an extremely low error rate in the validation and payment of claims and the payment of salaries.
9. Throughout the year, in line with our principle and statutory duty of transparency, we have published details of expenses claimed on our publication website, and responded to Freedom of Information (FOI) requests. During the second half of the year, we saw the number of FOI requests increase markedly, from in the region of 6/7 to over 22 per month. In February 2013, we received 37 separate requests. Some were of considerable scope and complexity, requiring a level of staff time for which, as a small organisation, we are not resourced.
10. We are committed to transparency and we believe that our current approach is both transparent and cost-effective: we publish details of all claims on a regular basis on our website in a format which is both accessible and searchable. In October 2012, the Information Commissioner published a Decision Notice requiring us to release individual receipts in relation to three expense claims. Our view is that the implication of this decision is that, in order to be in a position to respond to further such requests, it would be necessary actively to publish all receipts. During the course of the year, we commissioned work to establish the cost and estimated that it would be in excess of £3.5million over the next three years to implement the necessary systems and to publish the legacy receipts and then £890,000 per annum thereafter. We do not believe this approach would provide additional benefit to the public or represent value for money. It would also carry with it considerable additional risk to data security. We have therefore appealed this decision and are currently part-way through the appeal process.
11. We sought a Supplementary Estimate from the Speaker's Committee for the IPSA, approved in December 2012, to meet costs arising from the increase in FOI requests and work associated with our appeal.
12. The current plan covers the period 2013-17, during which there will be a number of significant events, not least a General Election, the conclusion of a number of our own service contracts, and the end of the lease on our current offices. This provides us with the opportunity to review, revise and improve our platforms and our administrative and regulatory approaches. But it is also a period that will require careful planning to ensure that we are ready to meet the challenges of an Election while at the same time undergoing change ourselves.

13. The next year, **2013-14** will be one marked by three dominant themes:
 - concluding and communicating the review of MPs' **pay and pensions**;
 - maintaining high levels of **accuracy** as regards the administration of the Scheme; and
 - **planning** and preparation, in advance of the General Election.
14. We will embark on detailed preparation for the General Election, building on the planning that has already been undertaken. The Election will present a significant operational challenge, requiring IPSA to be resourced with sufficient suitably trained staff to support new Members of Parliament and their staff, returning Members and to assist departing Members with winding up their offices. In 2010, there were 233 new Members of Parliament and 148 who chose not stand as well as those who were not successful in the Election itself. We anticipate that it will be necessary to recruit a substantial number of additional temporary staff to ensure IPSA is able to manage the process (welcome, registrations, training and payroll) without any interruption to its regular administration of the Scheme.
15. We will also review and plan for anticipated changes to IPSA's infrastructure (both IT and accommodation) when current contracts come to an end in 2015, ensuring that these events are well timed, smoothly managed and do not disrupt the management of the Election itself.
16. Our work in *the following years* will continue to be defined by the need to bear down on costs while maintaining high levels of assurance and outputs. In **2014-15**, we will primarily focus on ensuring we are fully prepared to meet the requirements of a General Election, both in terms of changes within IPSA (mentioned above) and any proposed changes to the Schemes to be introduced in the new Parliament. In **2015-16**, we will review our performance over the life of the first Parliament, and in particular in relation to the challenges of a General Election, and ensure that any changes to regulation or administration have been suitably embedded. The last year of our plan, **2016-17**, is likely to focus on further planned developments of our IT systems, maintaining high levels of administration and managing a sustained and cost-effective organisation.
17. The first part of this plan sets out our strategy. This was reviewed in October 2012 when the Board concluded that it remained fit for purpose in the short term. Following the appointment of the new Board in January 2013, the Board has agreed to retain the current Vision and Strategy in advance of a further review of strategy which will take place in autumn 2013.
18. The second part of the plan details our activities, linking our objectives to outcomes, key performance indicators, targets and the headline financial resources required to deliver them. Activities for the coming year, 2013-14, have been included in some detail, with those scheduled for the remaining years set out in outline only. The Board has agreed that it is appropriate to retain a limited number of Key Performance Indicators (KPIs) (attached as an Annex) in advance of the planned review of strategy in order to allow for a better focus on IPSA's key activities. We will continue to publish performance metrics on our website each month.
19. The strategy and corporate plan provide the framework for our business planning and resource allocation and are subject to regular review. Within IPSA, each team draws up detailed work-plans and these are reviewed by senior management quarterly. The Board monitors performance measures each month and reviews progress against the Corporate Plan every six months. The Corporate Plan is reviewed and revised annually to ensure that it remains appropriate and challenging.

IPSA STRATEGY

1. IPSA's general duties are set out in the Parliamentary Standards Act 2009, as amended by the Constitutional Reform and Governance Act (2010):
 - (1) In carrying out its functions the IPSA must have regard to the principle that it should act in a way which is efficient, cost-effective and transparent.
 - (2) In carrying out its functions the IPSA must have regard to the principle that members of the House of Commons should be supported in efficiently, cost-effectively and transparently carrying out their Parliamentary functions.
 2. The legislation also gives IPSA four regulatory functions:
 - (1) the preparation and maintenance of a scheme of rules to govern the payment of business expenses and costs;
 - (2) the publication of claims;
 - (3) the determination of MPs' pay; and
 - (4) the setting of a scheme for MPs' pensions.
 3. This strategy addresses the manner in which these duties are to be carried out and is derived from IPSA's vision and values.
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4. IPSA's strategy is based on meeting its four key objectives:

To provide independent, fair and effective regulation, that

- meets the public interest in ensuring that MPs' overall remuneration is appropriate for their role as legislators and elected representatives;
- ensures MPs are appropriately reimbursed for their legitimate business costs and expenses; and
- achieves a stable settlement relating to pay, pensions, business costs and expenses

To deliver workable and transparent systems that support the Schemes¹

- thereby providing financial support to enable MPs to carry out their parliamentary duties, in parallel with increased public confidence; and
- that are underpinned by an approach to risk that is proportionate and reflects emerging evidence².

To build public confidence in IPSA's execution of its duties through

- contributing to the restoration of the public's confidence in Parliament; and
- building IPSA's profile as an efficient and effective regulator and deliverer of services, protecting the public purse.

To build a cost-effective organisation with engaged and motivated staff

- with constant attention to delivering efficiency and cost-effectiveness in all we do, achieving savings over the period of the comprehensive spending review.

¹ Schemes refer to the existing Business Costs and Expenses Scheme and will in due course refer also to the Pay Scheme and Pensions Scheme.

² The Board's agreed statement on current risk appetite (June 2011) appears in the Annual Report, 2010-11.

5. In achieving its strategic objectives:
 - IPSA recognises the importance of developing a constructive relationship with MPs and their staff;
 - IPSA will actively engage with the public to promote informed debate and will seek to develop channels by which public opinion may be heard;
 - IPSA will maintain communications and regularly seek the views of various audiences interested in and affected by its actions – the public, MPs, their staff and the media; and
 - IPSA will continue to seek to deliver schemes and systems that are fair, workable and transparent

Business Costs and Expenses

6. The Business Costs and Expenses Scheme should :
 - become increasingly streamlined and simple to operate, both for MPs and for IPSA;
 - be increasingly based on direct payments to suppliers, not needing to be made personally by MPs and then reclaimed;
 - make clear where business costs are incurred by MPs in the running of their offices and where expenses are incurred by MPs in the fulfilment of their duties; and
 - be less prescriptive and rule-based, over time providing MPs with increased discretion in how money is spent.
7. Evidence will continue to be required to support claims, but will increasingly be provided through suppliers of goods and services rather than the MP wherever this is possible, commensurate with the need for assurance and cost-effectiveness.
8. IPSA's aim is to provide a cost-effective approach which meets the needs of MPs.
9. Publication of claims, as part of IPSA's statutory obligation to have regard to the principle of transparency, will continue to balance assurance and accuracy against cost. We believe that our approach gives proper weight to this principle while also reflecting our concurrent duties regarding value for money.
10. IPSA will seek the views of the public, MPs and their staff in relation to their satisfaction with the Scheme and its operation on a regular basis, will publish the results of what is learned and will make appropriate adjustments to its rules and their operation where indicated, consistent with considerations of transparency and value for money.

Pay and pensions

11. MPs' pay is set by IPSA. IPSA is also responsible for the setting of a scheme for MPs' pensions.
12. IPSA's has launched its review of pay and pensions and will announce the conclusions, and plans for the implementation of any new arrangements in time for the anticipated date of the next General Election in 2015.

14. IPSA will consider the MPs' pay and of MPs' pensions in the round, as a whole remuneration settlement. IPSA will also continue to engage actively with the public, MPs and expert practitioners.

15. The strategy assumes the agreement by the Speaker's Committee of IPSA's annual Estimate and any supplementary Estimates that may be required, sufficient to allow it to fulfil its duties as both regulator and administrator.

16. Key Performance Indicators will be reported regularly and these, and relevant performance metrics, will be published on the website.

Compliance

17. IPSA's Board, while respecting the independence of the Compliance Officer, will exercise its statutory duty of superintendence in relation to operating procedures and the resources required by the office.

18. The Board will receive regular reports from the Compliance Officer and review his Office's performance by reference to agreed performance indicators and in the light of considerations of value for money, proportionality and deterrence of improper behaviour.

VISION AND VALUES

Vision

IPSA will have realised its goal when there is sustained public confidence in the way in which MPs are funded from the public purse.

Mission

IPSA will:

develop a settlement for MPs' business costs, expenses, pay and pensions which properly supports them in their parliamentary functions and serves the interests of the public; and build an independent organisation which sets itself, and demonstrates, the highest standards in public service. IPSA will be consultative and open in its approach.

Values

All that we do in IPSA – acting as a regulator, administering the Schemes, or running our own organisation – will be shaped by five values:

- **Independence:** we will maintain our independence and stand firm on what we judge to be right;
- **Honesty:** we will demand high standards of propriety and honesty of ourselves and all those with whom we do business;
- **Openness:** we will work in the open, listening to others and sharing our expertise and information, while observing our obligations to those whose personal data we hold;
- **Accountability:** we expect to be held accountable for the economic, effective and efficient use of public funds and for our actions and, similarly, we expect MPs to be held to account for the funds they receive; and
- **Fairness:** we expect the same qualities of honesty, openness and accountability from ourselves and from those for whom we administer the Schemes.

IPSA'S STRATEGIC OBJECTIVES 2013-17

1. Independent, fair and effective regulation

1. IPSA will continue to carry out its responsibility to act, and be seen to act, as an independent, fair and effective regulator. In doing so, IPSA will:
 - serve the public interest in ensuring that MPs' overall remuneration is appropriate for their role as legislators and elected representatives;
 - ensure that MPs are appropriately reimbursed for their business costs and expenses; and
 - achieve a stable and long-term settlement relating to MPs' pay, pensions and business costs and expenses.
2. IPSA's role covers the development and operation of the MPs' business costs and expenses Scheme, the settlement of MPs' salary and the development of a new scheme for MPs' pay and pensions.
3. A comprehensive review of pay and pensions was launched in April 2012, with the first consultation paper published in October. The second phase of the consultation, including proposals, will be launched in July 2013. The consultation will close in October 2013 and the conclusions of the review will be announced towards the end of 2013, including plans for the implementation of any new arrangements.
4. In relation to the Scheme of Business Costs and Expenses, we will continue to explore opportunities for further simplifications, while ensuring that both the Scheme and the systems that underpin it retain public confidence and provide appropriate assurance. We will operate a scheme that is fair to Members of Parliament, enabling them to carry out their parliamentary functions and that clearly distinguishes between business costs and personal expenses.
5. We consider that the Scheme of Business Costs and Expenses is now more established and operating in a more settled environment. We anticipate that formal reviews of the full Scheme, though still regular, may be less frequent and revisions less substantial. In 2013, we will conduct a review of MPs' requirements for accommodation, both domestic and office. Research has already begun and the conclusion of planned work on data management will provide additional evidence upon which to launch the review. We plan to include the outcomes of the review in the 2014 release of the Scheme, with implementation timed in line with the General Election. We will consider the need for further thematic reviews in the following years.
6. As part of our role as regulator, we will also continue to operate in a fully transparent way. We will publish all appropriate details of the claims that MPs make under the Scheme and will seek to do so in the most accessible and cost-effective way.
7. IPSA is wholly committed to transparency. We were established in response to the need for greater transparency as regards MPs' expenses and Parliament laid on us a statutory duty to have regard to the principle of transparency in our work. Consequently, we have developed an approach that we believe provides the public with the information and transparency that they deserve. We publish details of Members' business costs and expenses every two months, in a form that is clear, detailed and searchable.
8. We have appealed a Decision of the Information Commissioner (October 2012) that IPSA release images of invoices in response to a request made under the Freedom of Information Act. Our

view is that, should our appeal be unsuccessful, the implications of the decision are that it will be necessary to publish redacted images of all receipts. We do not believe that this approach will provide greater transparency or value for money and we consider it will carry with it considerable additional risk to data. We anticipate that our appeal will be heard in the Upper Tier Tribunal during the course of 2013-14.

9. We will conduct a full review of our publication policy during 2013-14 to ensure that we continue to provide sufficient, regular, information on the Scheme and its application in an accessible and searchable format.
10. We will carry out a rigorous assurance and review programme, developing our analysis of data to underpin our assessments of risk and to provide evidence for any adjustments to our risk-based approach. We will conduct a review of our approach to validation early in the year to ensure that it remains effective and appropriate. The Board will also be invited to review its risk appetite during the year.
11. In April 2013, IPSA introduced a new approach to Assurance, with a revised Framework and a co-sourced approach to internal audit that, we believe, will provide both quality and value for money.
12. In all that we do as a regulator, we recognise the value of developing a balanced relationship with those we regulate and support and with the general public to whom we are ultimately responsible.

2. Workable and transparent systems supporting the Schemes

13. The most significant administrative challenge during the course of this Plan will be the management of, and matters arising from, the General Election due to take place in 2015. A guide has been developed and detailed planning is underway and will be regularly reviewed, with contingency plans in place to address the risk of an early General Election.
14. We will continue to operate a system that accurately and efficiently processes and pays MPs' claims for reimbursement of eligible business costs and expenses, and which enables our team to verify the validity of claims effectively. We seek a balance between maintaining public confidence and simplifying processes to minimise the administrative burden on MPs and their staff.
15. Over the full period of this plan, we will continue to look to reduce the time MPs spend claiming business costs and expenses and the extent to which MPs' costs are potentially met, in the first instance, from their own resources. Our strategy is based on balancing the demands of time, cost and quality: processing claims quickly and accurately, at an acceptable and falling cost.
16. In 2013-14 we will focus on demonstrating stable and reliable processing times and on encouraging users to maximise the utility of the Scheme in such a way as to drive down costs and the time spent. We will concentrate on executing accurate payments and on the provision of useful and consistent advice.
17. We will introduce any necessary changes and enhancements on a planned basis to maximise the communication and positive impact of any changes we make. We will seek to make changes

only where these provide clear benefits, building on the familiarity that MPs and their staff have with the current systems.

18. In response to the results of the MPs' survey conducted in 2012, we will continue to ensure that our systems, website, guidance and communications are clear and provided in the format that is most appropriate to our users. We have already introduced improvements to our website and to our guidance and will continue to keep both under review.
19. We will continue to conduct annual surveys, to provide us with detailed feedback on the perceptions and experience of MPs and their staff of the systems, providing us with data against which we can measure our performance and plan future activity.
20. IPSA is responsible for the payment of salaries to MPs and their staff and will continue to make these payments, accurately and on time. The payment of salaries represents – by value – 77% of the total budget and is the most significant item within IPSA's Estimate.
21. We have introduced a self-service online timesheet for MPs' staff and, in 2013-14, will assess the benefits of providing additional self-service HR facilities.
22. IPSA is responsible for developing a new pension scheme for MPs. Working with the Trustees, we will ensure that the pension scheme is well managed and all contributions are correctly administered, both in relation to interim arrangements and following the completion of the full review.
23. We will prepare for the introduction of auto-enrolment for pensions and ensure that we are in a position to comply with HMRC requirements.
24. We will seek regularly the views of the public, MPs and their staff in relation to their satisfaction with our schemes and their operation. In addition to further surveys, we will also hold regular meetings with MPs and with our MPs' staff groups and will make adjustments to our processes where appropriate.
25. We will continue to respond to Freedom of Information requests and will complete in 2013 the data management project launched in 2012 to ensure that we have access to clear and complete information.
26. We have developed contingency plans in the event that our appeal (referred to above) does not succeed. We have planned for and if necessary will introduce (accessing the funds already approved by the Speaker's Committee for the IPSA) during 2013-14 a revised business model to allow for the active publication of images of receipts. We will also begin to publish the legacy receipts from 2010-date.

3. Build public confidence in IPSA's execution of its duties

27. IPSA continues, as both a regulator and an administrator, to seek to help to restore the public's confidence in Parliament. While, in the main, the restoration of confidence lies outside our gift, we believe that building confidence that IPSA provides a fair, transparent and effective regulatory framework and that we are administering that regulatory framework effectively is a first and necessary step.

28. MPs are responsible for the appropriate use of public funds and, as the public's confidence grows, we will move increasingly to a position where MPs are held to be, and are seen to be, shouldering that responsibility.
29. To build this confidence, we will be transparent about our own operations and performance, developing our publication and information websites to provide easily accessible information, and regularly reporting both against our key performance indicators and on the deliberations of IPSA's Board. We will also, of course, respond to Freedom of Information requests and to Parliamentary Questions.
30. We will continue to engage regularly with the public as well as with MPs, their staff and the media, to gauge opinion and levels of confidence. The Board recognises, in particular, the importance of listening to and hearing the views of a wide range of people both in and beyond Westminster.
31. We will conduct annual opinion polls to provide us with insights into levels of public confidence in and public perceptions of our regulatory activities. We will continue to work with the IPSA-MP liaison group, with the MP Staff User Group and with other groups representing MPs' staff to take account of the views of MPs and their staff. We will also continue to hold individual meetings as requested and also plan to hold regular drop-in sessions in the House.

4. Build a cost effective organisation with engaged and motivated staff

32. IPSA is a publicly funded organisation and we have a duty to the taxpayer to ensure that we are cost effective and provide value for money. This is an important part of building the public's confidence in what we do and the role we perform.
33. During 2013-14 we will strengthen our internal financial controls and introduce further improvements to our accounting systems.
34. A number of key contracts, including those relating to accommodation and IT will conclude during the life of this plan. It is anticipated early decisions about these contracts will need to be made during the course of 2013-14, with the aim of implementing changes either well in advance or post the anticipated General Election in 2015.
35. Each year the Speaker's Committee for the IPSA agrees an Estimate of the resources we require to carry out our duties and obligations and we are committed to achieving expenditure levels at or below this budget.
36. We will continue to evaluate all that we do by reference to its value for money and cost-effectiveness.
37. In 2010, we made a commitment to deliver annual savings of 5%, on our operational expenditure. This is a challenging target for a small organisation, but one to which we remain committed during the course of the current Parliament. From 2015, we believe that further reductions would affect IPSA's scope and levels of administration.
38. In 2012-13, we successfully implemented plans to reduce our accommodation by half, and associated facilities costs. The associated savings will be realised in 2013-14.

39. Further details on our approach to cost-effectiveness, and the costs associated with delivering this plan are set out at page 23.
40. The challenge for the period of this plan continues to be to establish and develop the organisation in ways that ensure its long-term sustainability while meeting our stretching saving targets. This will require being cost-effective and efficient in what we do and creating a culture that attracts, retains and develops high quality staff.
41. We recognise the importance of, and place great value on, the people who work for us. It is only because of them that we are able to deliver our objectives and we are strongly committed to ensuring that they have the capability and capacity to achieve the results we want.
42. We have established a performance management system where good performance is recognised and continuous improvement encouraged, and we have implemented policies on capability, recruitment, sickness absences and flexible working. We carried out a third staff survey in 2012 and have used the results as a basis for our plans to increase staff engagement and strengthen morale. In 2012-13, we introduced a clear development plan, based on good practice and designed to ensure that we provide the support our people require. We will continue to focus on development and, in 2013-14 will evaluate our activity to date and the benefits to the organisation.
43. We will continue to review our workforce requirements and our organisational structure to ensure we have the right capacity and capability within budget to meet further challenges.
44. We will review our succession plans for key posts throughout the organisation, allowing us to identify talent and risks and support our staff and the organisation.
45. The first renewal of Board appointments took place in 2012-13 and further renewals will be staggered across the course of this plan.
46. At IPSA we believe that diversity improves our performance and the services we provide. This makes attracting and retaining the best staff from the whole community essential. As at 31 March 2013, 44% of staff were male and 57% of staff female, and 20% of employees stated that they were from an ethnic minority background. We will continue to monitor the background of our staff by reference to each of the "Protected Characteristics" set out in the Equality Act 2010, to allow us to look at representation including background and disability, within different areas and at different levels across the organisation and take action as necessary. More broadly, we aim consciously to create an inclusive culture, where people feel valued and can be themselves, regardless of difference.

CORPORATE PLAN: 2013-2017

| Objective 1: Independent, fair and effective regulation | | | | | |
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| What we do | 2013-14 | 2014-15 | 2015-2016 | 2016-2017 | Outcomes |
| Develop and review regularly a Scheme for the payment of MPs' business costs and expenses | <p>We will review periodically the rules governing the MPs' Scheme of Business Costs and Expenses</p> <p>We will conduct thematic policy reviews to continue to improve IPSA's understanding of the requirements of MPs and the evidence base supporting IPSA policy decisions</p> <p>We will conduct public consultations as appropriate to support reviews, to be concluded in time for the implementation of any changes at the start of the following financial year.</p> | | | | <p>A Scheme that appropriately balances rules and discretion (assuming experience warrants it and that it commends itself to the public) and that supports MPs in carrying out their parliamentary functions</p> <p>Where appropriate, revisions are in place in advance of a General Election</p> |
| | <p>Conduct review of MPs' accommodation (domestic and office), for inclusion in annual review of Scheme</p> <p>Consider recommendations emerging from annual review of Scheme for implementation in advance of General Election</p> | <p>Consider requirements for reviews of Scheme, anticipating minimal change ahead of General Election</p> | <p>Consider requirements for themed policy review</p> | <p>Consider requirements for themed policy review</p> | |
| Review and set pay levels for MPs and establish a new pensions scheme | <p>Conclude review of pay and pensions and announce outcome, including plans and proposals for implementation in 2015</p> | <p>Put in place new pension scheme and arrangements for pay for introduction in May 2015</p> | <p>Conduct review of pay levels in first year of new Parliament as required by legislation</p> | <p>Conduct an evaluation of new pensions scheme</p> | <p>Pay levels that form part of an appropriate total package</p> <p>Established pension scheme in operation.</p> |
| Provide high levels of assurance that claims and payments are made in accordance with the Scheme | <p>Maintain a rigorous assurance programme in line with opinions provided by NAO</p> <p>Maintain a regular programme of external audit in addition to internal audit functions</p> | | | | <p>High levels of confidence that payments made by IPSA are appropriate and in line with the schemes</p> <p>NAO support of assurance approach</p> |
| | <p>Continue to develop analysis of data to underpin assessment of risk-based assurance</p> <p>Conduct a review of stream-lined validation based on outcomes of</p> | <p>Continue to develop analysis of data to underpin assessment of risk-based assurance</p> | <p>Continue to develop analysis of data to underpin assessment of risk-based assurance.</p> | <p>Continue to develop analysis of data to underpin assessment of risk-based assurance</p> | |

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| | data analysis programme Introduce revised Assurance Framework and new, co-sourced arrangements for internal audit | Review streamlined validation based on outcomes of data analysis programme | Review streamlined validation based on outcomes of data analysis programme | Review streamlined validation based on outcomes of data analysis programme | |
| Engage with users to ensure Business Costs and Expenses Scheme and pay levels meet public interest in ensuring that overall remuneration is appropriate | Meet regularly with the MPs' Liaison Group to gather views on the Scheme and on possible administrative improvements Work with MPs' Staff User Group and other staff groups to gather views on possible system and administrative improvements Meet regularly with individual MPs and their staff to gain and understanding of their views and to provide information, training and support as necessary; hold regular drop-ins | | | | IPSA is confident that it has a clear understanding of the needs requirements of MPs and their staff |

| Objective 2: Workable and transparent schemes | | | | | |
|--------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------|-------------------------------------------|----------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|
| What we do | 2013-14 | 2014-15 | 2015-2016 | 2016-2017 | Outcomes |
| Validate and reimburse claims | Each year we will maintain delivery in line with published targets and improve delivery where possible to demonstrate improvements in claim processing | | | | A scheme that is simple to operate for both MPs and IPSA |
| | We will continue to consider options for simplifying the process of making, validating and paying claims thereby reducing the administrative requirements placed on MPs and their staff and helping with MPs' cashflow | | | | |
| | Review evidence requirements | Review service levels and performance to identify potential quality improvements | | Conduct a full review of service levels and performance to identify potential quality improvements | A scheme that is, where efficient and cost effective, based on payments made directly to suppliers and not requiring MPs to be reimbursed |
| | | Review evidence requirements | | Review evidence requirements | Evidence requirements, where appropriate, provided through suppliers of goods and services rather than the MP |
| Pay salaries to MPs and their staff | Each year we will continue pay salaries to MPs and their staff, accurately and on time | | | | Regular, accurate payment of salaries and pension contribution for MPs and MPs' staff |
| | Assess benefits of providing other HR self-service facilities | | | | |
| | Conduct assessment of scope for pension auto-enrolment in line with HMRC requirements | | | | |
| Provide guidance and training to users on the scheme and processes | Each year we will maintain delivery in line with published targets and improve users' experience in their interactions with IPSA | | | | The utility of the website increases over time |
| | Each year we will seek to improve MPs' understanding and use of service improvements and to reduce the time required to submit claims | | | | |
| | Conduct survey of users' views on website | Conduct survey of users' views on website | Conduct survey of users' views on website | Conduct survey of users' views on website | Users report that guidance and training increasingly match expectations |
| | Conduct surveys of a sample of users | Conduct surveys of a sample of users | Conduct surveys of a sample of users | Conduct surveys of a sample of users | |

| | | | | | |
|-----------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------|
| Provide full and detailed information in line with requirements of Freedom of Information Act | Complete data management project to ensure access to clear, detailed and up to date information Continue to respond to FOIs in line with the Freedom of Information Act Continue to provide timely responses to Parliamentary Questions | Continue to respond to FOIs in line with the Freedom of Information Act Continue to provide timely responses to Parliamentary Questions | Continue to respond to FOIs in line with the Freedom of Information Act Continue to provide timely responses to Parliamentary Questions | Continue to respond to FOIs in line with the Freedom of Information Act Continue to provide timely responses to Parliamentary Questions | Clear, accurate and up-to-date information is provided in response to requests |
| Publish details of claims | We will continue to publish details of claims on a bi-monthly basis and aggregated data on an annual basis | | | A useable and transparent website providing up to date and accurate details of claims | |
| | Revise publication model, if required, to introduce active publication of redacted images of receipts If required, start publication of legacy catalogue Conduct review of publication policy and implement recommendations | [Actively publish redacted images of receipts] | Consider the frequency of publication, balancing value for money and transparency [Actively publish redacted images of receipts] | [Actively publish redacted images of receipts] | |
| Ensure smooth transition during and post a General Election | Complete and test plan for General Election | Begin active preparations for General Election, in line with plans and including testing of plans | Implement and evaluate arrangements for General Election | | General Election arrangements are smoothly and efficiently managed. |

| Objective 3: Build public confidence in IPSA's execution of its duties | | | | | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| What we do | 2013-14 | 2014-15 | 2015-2016 | 2016-2017 | Outcomes | |
| Act to build public confidence that MPs are appropriately supported financially to enable them to carry out their duties Seek public opinion to provide insight into IPSA's activities | Each year we will conduct an annual public opinion poll to provide insight into IPSA's operational and regulatory activities We will continue to maintain communications with the various audiences interested in and affected by our actions – the public, MPs, their staff | | | | IPSA has an informed understanding of the views of the general public in relation to the role of IPSA and the remuneration of MPs | |
| | Conduct regular consultation with public to gain understanding of current views, in particular in relation to review of pay and pensions Communicate outcome of review of pay and pensions | Conduct regular consultation with public to gain understanding of current views | Conduct regular consultation with public to gain understanding of current views | Conduct regular consultation with public to gain understanding of current views | | |
| Make information easily accessible to the public | Each year we will continue to publish details of our activities and our performance against our Key Performance Indicators and our performance targets. We will continue to respond to FOI requests, in line with statutory duties | | | | IPSA is a transparent organisation and users and the public are easily able to access information about IPSA decision | |
| | Conduct website survey of public opinion Regular publication of information about IPSA decisions Review communications strategy | Conduct website survey of public opinion Regular publication of information about IPSA decisions | Conduct website survey of public opinion Regular publication of information about IPSA decisions | Conduct website survey of public opinion Regular publication of information about IPSA decisions | | |
| Publish details of MPs business costs and expenses | Each year we will continue to publish details of MPs' business costs and expenses regularly We will publish budget totals and details and other costs to the public purse annually | | | | Users and the public are able to access and interrogate data to provide a clear picture of expenditure Users and the public are confident that the data published are accurate | |
| | Review publication policy and implement recommendations as | [Actively publish redacted images of receipts] | Review usability and transparency of | [Actively publish redacted images of | | |

| | | | | | |
|--|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|----------------------------------------------------------------------------|-----------|--|
| | appropriate Revise publication model, if required, to introduce active publication of redacted images of receipts If required, start publication of legacy catalogue | | published data [Actively publish redacted images of receipts] | receipts] | |
|--|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|----------------------------------------------------------------------------|-----------|--|

| Objective 4: Build a cost-effective organisation with engaged and motivated staff | | | | | | |
|------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|--------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|--|
| What we do | 2013-14 | 2014-15 | 2015-2016 | 2016-2017 | Outcomes | |
| Deliver and demonstrate value for money in all we do. | We will continuously evaluate what we do by reference to its value for money and cost-effectiveness with a consistent approach across the organisation | | | | IPSA demonstrates that it provides value for money | |
| | Each year we will achieve expenditure levels at or below budget at the end of the financial year | | | | | |
| | Over the remaining period of the current CSR, we continue to identify annual savings of 5% on a like for like basis | | | | | |
| Investigate feasibility of alternatives operating models and structures that may provide greater cost-effectiveness and efficiency | Review medium term accommodation plans in line with contractual arrangements Conduct full review of IT strategy and provision including opportunities for and timing of improvements to both structure and interface in line with market developments | Re-visit feasibility and opportunities for out-sourcing elements of service provision in advance of new Parliament Review current contracts relating to facilities and services | | Further opportunity to review IT provision and introduction of new structure and interface | IPSA's operating model remains appropriate and cost-effectiveness | |
| Build and support our team | In each year we will assess capability of our staff, provide appropriate business oriented development and hold staff engagement events. We will conduct a staff survey regularly to assess staff engagement and commitment | | | | IPSA has an engaged and motivated workforce that demonstrates commitment and a high level of performance | |
| | Review performance management system, established in 2010 Review and evaluate development plan and benefits of development undertaken | Standard review of people strategy and HR policies Conduct a regular review of succession planning | Review disaster recovery and business continuity plans | | | |

Governance

39. The Parliamentary Standards Act 2009 (Schedule 1, part 1) stipulates the constitution of the IPSA Board membership as follows:

1. The IPSA is to consist of the following members—

*a. one member who is to chair it (“the chair”) appointed in accordance with paragraph 2, and
b. four other members (referred to in this Schedule as “ordinary members”) appointed in accordance with that paragraph.*

2. At least one of the members of the IPSA must be a person who has held (but no longer holds) high judicial office (within the meaning of Part 3 of the Constitutional Reform Act 2005 (c. 4)).

3. At least one of the members of the IPSA must be a person who is qualified under Schedule 3 to the National Audit Act 1983 (c. 44) to be an auditor for the National Audit Office.

4. One of the members of the IPSA (“the Parliamentary member”) must be a person who has been (but is no longer) a member of the House of Commons.

5. Apart from the Parliamentary member, a person who has been a member of the House of Commons at any time within the last five years may not be a member of the IPSA.

40. The Chair and Board members were appointed following an open recruitment process, conducted by an independent panel. The Board comprises:

Chair: Professor Sir Ian Kennedy

Former holder of high judicial office: The Hon Sir Neil Butterfield

Auditor: Anne Whitaker MA, ACA

Former Member of Parliament: Professor Tony Wright

Liz Padmore

Full details for all Board members can be found on the IPSA website:

www.parliamentarystandards.org.uk

41. The terms of the Board Members are as follows: The Hon Sir Neil Butterfield and Professor Tony Wright will serve for an initial period of three years; Anne Whitaker and Liz Padmore will serve for an initial period of five years.

42. IPSA’s Board is responsible for deciding the policies that form the scheme governing MPs’ expenses, pay and pensions and for setting IPSA’s strategic direction. The Board meets at least once each month. Minutes of Board meetings are published on IPSA’s website.

43. The Executive is led by Andrew McDonald, Chief Executive, who provides day-to-day leadership and is responsible for delivery in line with the policy direction set by the Board. He is the Accounting Officer for IPSA. He is supported by a Senior Leadership Team, including the following executive Directors: Philip Lloyd, Director of Finance and Corporate Services; and John Sills, Director of Policy and Communications.

44. IPSA is an independent regulator. It was established under the Parliamentary Standards Act to pay Members’ salaries, develop a Scheme and pay Members’ business costs and expenses and to appoint a Compliance Officer to conduct investigations where there is reason to believe that a Member may have been paid an amount under IPSA’s scheme that should not have been

allowed. The Constitutional Reform and Governance Act 2010 provided IPSA with additional responsibilities for the determination of MPs' salaries and pensions.

45. The Speaker's Committee for the IPSA reviews the IPSA's annual estimate of the resources its needs, ensuring that it is consistent with the efficient and cost-effective discharge of the IPSA's functions, before the estimate is laid before the House by the Speaker.
46. The Committee has a membership of 11. Rt Hon John Bercow MP (Speaker and Chairman of the Speaker's Committee), Rt Hon Andrew Lansley MP (Leader of the House), Rt Hon Kevin Barron MP (Chair of the Standards and Privileges Committee) are ex officio members. Five further members are appointed by the House: Rt Hon Nicholas Brown MP (Labour), Ms Angela Eagle MP (Labour), Sir Bob Russell MP (Liberal Democrat), Laura Sandys MP (Conservative) and Mr Charles Walker MP (Conservative). In addition, three lay members are appointed by the House of Commons following fair and open competition: Dame Janet Gaymer DBE QC (Hon), Elizabeth McMeikan and Sir Anthony Holland.³
47. Mr Charles Walker MP also responds to questions in the House of Commons on matters relating to our work.
48. Our Annual Report and Accounts, including details of our performance can be found on our website. We also publish, on a monthly basis, our performance levels.

FINANCIAL MANAGEMENT

49. IPSA is independent of Parliament and Government. It is funded from the Consolidated Fund through the process of Parliamentary Supply. IPSA's Estimate is scrutinised by the Speaker's Committee for the IPSA which is required to review IPSA's annual Estimate of and to ensure that it is consistent with the efficient and cost-effective discharge of IPSA's functions.
50. The Chief Executive is the Accounting Officer and is responsible for the propriety and regularity of IPSA's finances. He is supported in these responsibilities by his Senior Leadership Team, which includes the Director of Finances and Corporate Services.
51. The work of the Audit and Risk Committee, supported by the Head of Internal Audit and co-sourced internal auditors and receiving reports from the external auditors, forms a key part of the financial controls. IPSA will continue throughout the period of this plan to seek further improvement in its financial control processes.

COST EFFECTIVENESS AND DELIVERY OF THE CORPORATE PLAN

52. IPSA has established itself as an effective organisation which delivers value for money. In 2010, we made a commitment to deliver annual savings of 5% on our operational expenditure. This is a challenging target for a small organisation determined to maintain high standards of administration, but it is a target to which we remain committed.
53. The table below shows the expected costs of delivering our Corporate Plan.

³ Membership as at 31 March 2013

54. The costs of MPs' pay, staffing, business costs and expenses have been set at a realistic level for 2013-14 and are then assumed to rise by 1% per annum, consistent with the public sector pay rise agreed for 2013-14. In practice both the current review of MPs' pay and pensions and the General Election may lead to further changes and we will update the Plan in future years when these can be quantified.
55. We will continue to reduce the costs of our core operational expenditure by 5% per annum until 2014-15, at which point we believe that reductions to IPSA's scope or levels of administration would be required to deliver further savings. We will also, in line with our business objectives, undertake activities which will incur one-off costs. Included in the current plan are: the completion of the reviews of pay and pensions and of accommodation in 2013-14, undertaking a major project in 2014-15 and 2015-16 to support MPs and their staff before and after the General Election, and moving IPSA's office in 2014-15. .
56. We have also shown in the table the costs that we would expect to incur should we lose our appeal against the Information Commissioner's decision, the implications of which we believe would be to require us to publish copies of receipts of MPs' expenses. Given the substantial size of these costs, we think it prudent to include them in the Plan, although we believe that we have a strong case in appealing against the Information Commissioner's decision. The table therefore shows the costs of implementing new systems in 2013-14, publishing both the back catalogue of receipts and current receipts in 2014-15, and publishing current receipts from 2014-15 onwards.

Projected Costs for Delivering the Corporate Plan

| £000 | 2012/13 | 2013/14 | 2014/15 | 2015/16 | 2016/17 |
|------------------------------------------------------|----------------|----------------|----------------|----------------|----------------|
| RESOURCE DEPARTMENTAL EXPENDITURE LIMIT (DEL) | | | | | |
| MPs' pay, staffing, business costs and expenses | 168,496 | 158,153 | 159,735 | 161,332 | 162,945 |
| IPSA operations | 5,983 | 6,224 | 6,717 | 7,127 | 6,250 |
| Recruitment of new board | 100 | 0 | 0 | 0 | 0 |
| Publication of receipts | 365 | 1,530 | 1,820 | 1,190 | 1,190 |
| TOTAL RESOURCE DEL | 174,944 | 165,907 | 168,271 | 169,649 | 170,385 |
| ANNUALLY MANAGED EXPENDITURE | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 |
| TOTAL RESOURCE EXPENDITURE | 175,944 | 166,907 | 169,271 | 170,649 | 171,385 |
| CAPITAL DEL | 2,167 | 1,673 | 1,500 | 1,500 | 1,500 |

DATA SECURITY AND INFRASTRUCTURE

57. We take the security of the information we hold very seriously and have in place policies, procedures and systems to protect it. Each member of the Senior Leadership Team acts as an Information Asset Owner, responsible for managing the risks associated with their information assets. This accountability ensures appropriate protection is maintained. IPSA staff have attended a programme of information management security briefings and have completed the on-line training in protecting information provided by the Civil Service Learning. IPSA has continued to achieve full accreditation of its information systems under the Risk Management Accreditation Document Set (RMADS) standard in accordance with HMG Information Assurance (IA) Guidance Standard No 2, which informs our data security strategy. Accreditation of our systems provides confidence that risks to information & communications systems are being properly managed. This assurance is maintained to the risk profile throughout the service life of the information system by regular post implementation IA reviews, which also constitute best business practice.

58. We seek to maximise the accuracy and quality of our systems, in particular in terms of the quality and accessibility of our information assets.
59. IPSA continues to be committed to promoting and sustaining a healthy, safe and supportive working environment for our staff. Our approach to our accommodation and facilities is to ensure that both are fit for purpose, provide a safe and productive working environment and represent value for money.

COMPLIANCE

60. A business plan for the Compliance Officer, including objectives and KPIs is published separately and can be found at www.parliamentarycompliance.org.uk

Key Performance Indicators 2013-14

| Key performance targets | Key Performance Indicators | Target metrics |
|----------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|
| Objective 1: Independent, fair and effective regulation | | |
| To provide high levels of assurance that claims are made in accordance with the Scheme | The assurance programme, developed in line with the principles set out in HMT's guidance, provides the Board with appropriate levels of confidence | Less than 1% of claims are identified as not having been made in accordance with the Scheme |
| Objective 2: To deliver workable systems that support the schemes | | |
| To efficiently pay and process MPs' claims, maintaining and seeking to improve 2010-11 service levels; | Time taken to process and reimburse MPs' business costs and expenses claims | Claims are reimbursed within an average of 12 working days |
| To support MPs in the execution of their parliamentary functions, with appropriate guidance and training; and | Users' surveys results | Users' surveys show an increase in satisfaction levels year on year, measured against NAO survey baseline (May 2011) |
| To pay 100% of the salaries of MPs and their staff correctly and on time. | Number of payroll adjustments per month resulting from errors by IPSA as a percentage against total salaries paid | Payroll accuracy levels of over 99.75% in any one month (based on information provided) |
| Objective 3: To build public confidence in the execution of its duties | | |
| To operate a transparent Scheme that is easily understood by MPs and the public | Accuracy of published information on MPs' claims | Published information on MPs' claims maintains accuracy levels of over 99.75% |
| To operate a Scheme that accurately pays and processes MPs' claims | Percentage of processed claims identified as validated in error during regular assurance and review programme activities | Errors identified on review account for under 1% of all validated claims |
| Objective 4: To build a cost-effective organisation with engaged and motivated staff | | |
| To build and support an engaged and motivated workforce. | Staff engagement survey | Survey results show increased staff engagement against 2010 baseline |
| To demonstrate cost-effectiveness and provide value for money | IPSA's annual expenditure | 5% savings on cost on a like-for-like basis achieved year on year for period of current CSR |