

Minutes of a meeting of IPSA's Board

22 February 2023

Board Members: Richard Lloyd OBE (Chair)

Will Lifford

Helen Jones

Lea Paterson CBE

Sir Robert Owen

In attendance: Ian Todd, Chief Executive

Karen Walker, Director of Strategy and Change (Items 1-7)

Thomas Fitch, Director of Finance

Lee Bridges, Director of Policy and Engagement (Items 1-7)

Chief of Staff

Head of Policy

Head of Communications

Policy and Research Officer (Item 4)

Head of MP Services (Item 5)

MP Services Account Manager (Item 5)

Status: Submitted for approval at the meeting of the Board on 29 March 2023

1. Welcome and Declarations of Interest

- 1.1 The Chair welcomed and invited attendees to declare any interests not previously recorded. The Chair noted that his term as Interim Chair of the Financial Conduct Authority had concluded and had resumed his position as Deputy Chair.

2. Minutes and Actions

- 2.1 The minutes of the Board meeting of 25 January were approved, and actions list noted.

3. Chief Executive's Report

- 3.1 The Chief Executive introduced his report and updated the Board on the successful rollout of payment card for MPs' proxies. Extensive proactive work also continued preparing for the financial year-end. Though this should flatten the peak of demand, it provided a challenge in balancing capacity between value-add outreach with reactive email and phone responses.
- 3.2 Whilst IPSA planned to conclude a fundamental review of its Publication Policy in line and consistent with the implementation of its new regulatory approach, the Chief Executive confirmed that work was underway to identify short-term presentational changes which may make the publication of MPs' spend more meaningful by, for example, making even clearer that the vast majority of expenditure concerns staffing resource.
- 3.3 The Director of Policy and Engagement sought the Board's appetite as to an in-year review of the policy in 2023/24 to determine whether any policy changes might be desirable and practicable. This would focus on ensuring meaningful transparency in the context of a volatile online environment, particularly female MPs.
- 3.4 The Board agreed that a review of the Publication Policy should be done in 2023/24. Whilst this was important to countering abuse and furthering IPSA's mission that being an MP should be a viable option for people from all walks of life, the outcome of the review should explicitly factor in the necessity of retaining public trust in the system and IPSA's statutory duties. It was also essential that any changes proposed were compatible with IPSA's future direction of travel and regulatory approach.
- 3.5 The Director of Policy and Engagement provided an update on the transition of security funding to the House of Commons from 2023/24. IPSA would issue communications following the Speaker's Notice in February and seek to reinforce that the twin duties of funding security expenditure, and conducting the risk assessments and making recommendations which lead to such expenditure, would rest with the House from 1 April.
- 3.6 The Board welcomed the update and was encouraged by the progress to transition.
- 3.7 The Board enquired as to demand for proxy payment cards. The Director of Strategy and Change outlined the positive feedback received and the rolling schedule of training webinars

which proxies must undertake as a prerequisite. In the new financial year, IPSA would review timeliness of reconciliation and the adequacy of single transaction and monthly card limits to identify if the data suggests changes should be made.

- 3.8 The Board underlined the importance of ensuring prompt access to accurate and up-to-date budgetary information for MPs in the run-up to year-end and more generally. It was confirmed by the Director of Finance that, notwithstanding the 90-day window in which MPs could submit claims, the system does provide quick assessments of actual spend but work was ongoing, notably through the procurement of a Financial Planning and Analysis tool, to improve its forecasting capabilities to support MP offices.
- 3.9 The Board sought an update on the success of remote induction and coaching. The Director of Strategy and Change confirmed that most of the induction and training programme, including IPSA's Learning Academy, was conducted virtually, and this has proved effective since the pandemic and through to IPSA's new hybrid working model. As IPSA recruits across the UK, interviews are also conducted online alongside contract offers and right to work checks. The induction programme further included introductory meetings with teams and leaders across the organisation. Managers and teams did, however, meet at the IPSA office or in their regions when the business need arises.
- 3.10 The Chief Executive proposed an amendment to the Board Expense Code to tie the maximum nightly amount claimable by Board Members for London hotels to the equivalent provision in the MPs' Scheme of Business Costs for the applicable financial year. This was agreed by the Board as in line with the approach taken prior to the pandemic.
- 3.11 The Board noted the proposed tailored feedback exercise which IPSA is conducting on its disability assistance funding process and guidance. It welcomed the thoroughness of the approach to this important matter and the Equality Impact Assessment undertaken to this end.
- 3.12 The Director of Strategy and Change introduced a refined KPI dashboard for January 2023 which included weightings and RAG-ratings for each measure. In addition to pulse surveys from March, the dashboard illustrated positive feedback from the internal IPSA people survey and MP Staff User Group sessions. It was expected, however, that measures surrounding email, case, and phone responses would be tested as year-end approached.
- 3.13 The Board noted the report with thanks. It enquired specifically as to the metric monitoring compliance with the Scheme and whether the data could be broken down. It also noted that the volume of KPIs for the Board report could be streamlined.
- 3.14 The Director of Strategy and Change confirmed that a data dashboard focusing on validation processes was in train, including on more complex and returned claims. A report outlining the current approach to validation, issues encountered, and plans to address them would be provided to the Board in the new financial year. It was also noted that the charts provided to the Board provided the key metrics for its assurance, with accompanying data underneath largely for information. The Audit, Risk, and Assurance team would shortly be surveying Board members on the approach to KPIs upon which further development and refinement of

the dashboard can be based, including more granular detail and access for those who desire it.

- 3.15 The Director of Strategy and Change introduced the Transformation Programme status update for January, which included progress on planning for the next General Election and associated resourcing, assurance, and testing requirements. The regulatory review was also progressing well, with the Commercial Strategy being finalised and all outstanding transformation activity being rolled into the Improving IPSA programme.
- 3.16 The Board noted the update with thanks.

4. Annual Survey of MPs and Staff

- 4.1 The Policy and Research Officer introduced a paper providing the full analysis and findings arising from the Annual Survey of MPs and Staff and proposed report for publication. Despite a slightly lower response rate than in 2021 and a statistically low response rate more generally as a proportion of total customers, the survey was an important annual feedback exercise in addition to more regular feedback channels such as consultations, account management, and the MP Staff User Group. The survey illustrated improved satisfaction in IPSA's performance, including amongst MPs, though issues remained with IPSA Online, publication, and budget forecasting.
- 4.2 The Director of Strategy and Change confirmed that IPSA has worked collaboratively with MP staff to link feedback to improvement work by, for example, responding to previous years' feedback on payroll services by developing enhanced payroll tools and forms.
- 4.3 The Board welcomed the improved satisfaction scores, which had risen by almost 25% in only two years, and the streamlined approach taken this year to the survey.
- 4.4 It underlined, however, the need to secure greater MP engagement in such feedback exercises and for IPSA to redouble its efforts to better address issues persistently raised as service gaps by customers, such as email response times, the quality of validation return notes, and ensuring that the IPSA Online interface is user-friendly.
- 4.5 The Board approved the publication of the report and proposed date of 16 March.

5. Improve Customer Service Report

- 5.1 The Head of MP Services and Account Manager outlined the support framework which IPSA was implementing to better deploy capacity to where it was most needed, able to proactively prevent and mitigate issues for customers, and assure the public. This included devoting more resource to issues of higher complexity and areas more prone to overspend, including year-end, lease management, office costs, and payment card reconciliation. As an example of this personalised approach, IPSA had held a significant number of proactive

engagement meetings with MPs' offices to help prevent, mitigate, or reverse overspends by 31 March. The model therefore served as a more tailored regulatory focus which could be future-proofed for subsequent General Elections.

- 5.2 More broadly, the MP Services team had secured significant progress on debt and in reducing the age profile of outstanding monies owed. It was, however, acutely aware of the need to improve email response times and was establishing a cross-IPSA plan to better coordinate SLAs. Exploiting the enhanced functionality of IPSA's new CRM system could also be valuable to this end with automated notification, revised routing of cases, and better filtering to the right teams. The Director of Strategy and Change also confirmed that IPSA was exploring increasing the operating window and live chat to flatten out call demand and better accommodate flexible working.
- 5.3 The Board welcomed the approach as a tangible demonstration of the principles discussed at its Strategy Day 2022. It additionally valued the case studies which brought the framework to life and demonstrated the importance of avoiding a one-size-fits-all approach to customer service.
- 5.4 The Board enquired as to how IPSA was monitoring and learning from the implementation of this new model. It also noted the need for sensitivity in supporting MPs leaving Parliament.
- 5.5 The Head of MP Services confirmed that work was planned to make the framework more sophisticated and individualised per MP, reduce manual input, and provide more real-time information through automation. An update on General Election planning would be tabled to the Board on 29 March but work to map an effective and sensitive approach to validation would be conducted in the new financial year.

6. Scheme Consultation 2023/24

- 6.1 The Head of Policy gave a summary of the Administration Committee's inquiry into General Election services. As an independent body, IPSA would carefully consider the recommendations but welcomed the opportunity to engage with the Committee and looked forward to future discussions.
- 6.2 The Chief Executive noted that the Board had previously discussed and agreed related issues for consultation. As IPSA was keen to properly consider the report of the Administration Committee, a robust consultation on these issues would not be possible to launch, conclude, and digest in time for laying the new Scheme of MPs' Business Costs for entry into force on 1 April, and so would instead be conducted into 2023/24. The new Scheme would, however, be published as normal on 1 April and include a small number of changes previously agreed by the Board on other matters.
- 6.3 The Board agreed to consider a consultation document at its meeting on 29 March 2023. This would include issues previously approved for consultation and could also include open and neutral questions on the length of the winding-up period, other issues surfaced by the

Administration Committee, and non-financial assistance which may prove reasonable in the circumstances.

- 6.4 In annex to the consultation document, the Board thought it valuable to consider further data on the financial treatment (including eligibility, quantum, and timing of leaving payments) of potential comparator roles upon departing office, such as senior civil servants, public officials, and district judges. Data from the 2019 General Election on average winding-up periods and delays in finalising the closure of parliamentary affairs would also be helpful.

7. McCloud

- 7.1 The Director of Policy and Engagement provided an update on implementing the McCloud changes. IPSA still aimed to issue the options pack and communications to impacted members in spring but remained dependent on Government assurance that tax-smoothing legislation would be passed to provide Members with an informed choice and comparable treatment to other public sector schemes.
- 7.2 The Board noted the update and underlined the importance of senior ministerial engagement in the process. It encouraged the Executive to consider further ways in which to secure it and implications and contingencies should the Government not take action.

8. Financial Report & Management Accounts

- 8.1 The Director of Finance introduced the financial position and management accounts as of January 2023. For 2023/24, more accurate forecasting and profiling would be incorporated into each month and an improved end-to-end procurement process would provide greater visibility and forecasting of project expenditure.
- 8.2 The Board noted the report with thanks.

9. Board Governance

- 9.1 Following proposals put to the Board on 25 January, the Chief of Staff introduced a revised terms of reference for a new Board subcommittee, renamed the Improving IPSA Assurance Group, and other administrative updates to the Board standing orders.
- 9.2 The Chair of the Group, Lea Paterson, added that the subcommittee was intended to serve as a vehicle to provide scrutiny of, assurance from, and support to the Improving IPSA programme and its engagement with stakeholders. The Group also intended to run informal workshop sessions, would be careful to avoid overreach into the remit of the Executive team, and would ensure that the full Board, as the decision-making authority, was appropriately updated.

9.3 The Board approved the standing orders.

10. Board Work Programme and Any Other Business

10.1 The Board noted its work programme for 2023 and the broader governance grid tabled. The output of the Board governance evaluation and strategic communications review would be added to suitable agendas between March and June 2023.

10.2 Before concluding the meeting, the Chair invited closing reflections and feedback from attendees. The Board welcomed the case studies and opportunity to meet with members of the team from across the organisation, including those based across the UK, and encouraged the Executive to explore inviting internal and external stakeholders to Board meetings more regularly.

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