

Minutes of a meeting of IPSA's Board

21 January 2025

Board Members: Richard Lloyd OBE (Chair)
Dame Laura Cox
Helen Jones
Will Lifford
Lea Paterson CBE
Andrea Spataro (Boardroom Apprentice)

See Annex for record of attendees.

Status: Submitted for approval at the meeting of the Board on 18 March 2025

1. Welcome and Declarations of Interest

- 1.1 The Chair welcomed Andrea Spataro to his first Board meeting in his capacity as IPSA's 2025 Boardroom Apprentice, and invited attendees to declare any interests not previously recorded. No new declarations of interest were noted.

2. Actions and Minutes

- 2.1 The minutes of the Board meeting of 18 December 2024 were approved.
- 2.2 The Chair noted the completed and outstanding actions. It was stated that an updated draft Memorandum of Understanding and Joint Statement setting the terms of engagement between IPSA, the Compliance Officer, and the Parliamentary Commissioner for Standards (PCS) was currently under review. The Chair confirmed that the Business Plan would be shared with Board members now that this had been approved by him under delegated authority.

3. CEO Report

- 3.1 The Chief Executive highlighted the key elements within the CEO Report, noting the significant work being undertaken in support of both the supplementary estimate and main estimate processes, ahead of scheduled public sessions of the Speaker's Committee for IPSA (SCIPSA) on 22 January and 11 March.
- a. Following on from the conclusion of concerted General Election activity in December, people had returned to their normal roles and work was underway to make adjustments to the Transformation Programme timeline.
 - b. The executive had confirmed that for MPs who did not live within twenty miles of their constituencies travel from their home to Westminster and/or the constituency would be taxable in line with HMRC regulations.
 - c. Work continued in relation to the relocation of IPSA's office premises, as a substantially smaller floorplate was sought with a layout that was more fit for purpose.
- 3.2 The Board were pleased with the revised pooled staffing services guidance set to be applied from April and noted the engagement with existing service providers and the positive feedback received from them. The Chair reflected that a clearer set of standards had been set which would improve IPSA's ability to exercise effective oversight of the funding provided to such services. It was agreed that a review be undertaken within six-to-nine months of the new guidance coming into effect to assess its effectiveness.
- 3.3 The Director, MP Services, Strategy and Change presented the KPI dashboard, highlighting that though the volume of inbound phone calls had peaked at the end of November, numbers still remained higher than those experienced immediately prior to the General Election. As of 31 December 2024, IPSA had received over 17,700 calls to its inbound phonenumber and had maintained an SLA of 88.4% of those calls being answered within twenty seconds. Further to this, the latest pulse survey results indicated that despite the significant increase in demand, wellbeing and resilience scores amongst IPSA's people stood at 79%, with overall engagement at 74%. Further consideration of these results would be undertaken by the People Committee. The Board were pleased with the impressive performance against KPIs during a period of heightened workload, and asked that consideration be given as to how at future elections the induction process could be improved so as to reduce the increase in call volumes. The Director, MP Services, Strategy and Change confirmed that engagement was taking place with MPs and their staff to establish how IPSA could instigate greater take-up of training and that extensive promotion of the induction programme had taken place through various channels.
- 3.4 The Director, MP Services, Strategy and Change delivered a Transformation Programme update, noting that the constituency office proof of concept had now concluded and that a discussion of the options arising from the evaluation of this service would take place at the Board Strategy Day in March. It was reported that commercial discussions were ongoing in relation to the next stage of development of a front-end portal for IPSA Online and that a new People Strategy had been drafted. The Board received the update with thanks, and it was suggested that all Board members be invited to the upcoming Improving IPSA Assurance Group meeting where such

work would be discussed in more detail and plans reassessed following the conclusion of General Election activity.

4. Strategic Communications 2025

- 4.1 The Head of Strategic Communications presented an update on strategic communications planning for 2025, outlining the intention to adopt a new tone of voice for both internal and external communications, an aim to increase understanding of IPSA's work and raise its profile, to be quicker to address false information in the media, and to be more proactive in approach. This would include work to improve the consistency of messaging. The Board were keen to ensure that digital content is better used in the delivery of communications and requested that regular updates be provided on progress against the plan. The Board were clear in stating their appetite for greater creativity, considered risk-taking, and experimentation in strategic communications, with evidence requested of early delivery on such objectives.

5. MP Remuneration Update

- 5.1 The Director, Policy and Engagement presented recommendations concerning the process of establishing an interim determination on MPs' pay ahead of the new financial year. The Board agreed to a short technical consultation with statutory consultees on the agreed proposal for MPs' pay and that of Select Committee Chairs and Panel of Chairs from April. It was noted that it would need to be made clear that this was a one-year determination to be followed by the main determination on MPs' remuneration for the duration of the current parliament which was due by 3 July; and that the latter determination would only be applied from 2026-27. The Board recognised the importance of communications concerning this exercise and the need for more active engagement to ensure the rationale and long-term approach underlying it were understood. It was noted that the consultation on an interim determination would need to take place ahead of the public SCIPSA session scheduled for 11 March.
- 5.2 The Director, Policy and Engagement provided an update concerning work on the MPs' pay determination for the new parliament, noting that this consultation would need to take place between March and May. The Board asked for assurance that an effective communications strategy is in place and that the value and not solely the cost of funding democracy was articulated. When looking to benchmark MPs' pay, challenges of comparison were acknowledged given the unique nature of the role. As a full assessment of the MP pension scheme would not be completed in time for proposals to be included within the determination, pension arrangements would not be covered by this, but it would be communicated that a comprehensive review will be carried out.

6. Scheme Consultation – Decisions and Consultation Report

- 6.1 The Head of Policy presented a report on the recent Scheme Consultation, opening discussion with recommendations concerning the new principles-based regulatory approach and refreshed principles, noting that responses had been largely supportive. The Board agreed to the proposals as set out in the consultation but highlighted the need for more effective communication with MPs and their staff on what principles-based regulation would mean in practice. The Chair also confirmed that work should be done to ensure alignment of IPSA's approach with that of the PCS and others within the parliamentary standards landscape. It was agreed that the next steps in the establishment of principles-based regulation would be to consider the sequencing and implementation of guidance and the provision of practical examples to illustrate how the principles would be applied.
- 6.2 The Head of Policy outlined recommendations concerning meaningful transparency in the publication of MPs' data, noting that proposals to aggregate rent and pooled services costs per MP on an annual basis and to aggregate small-value claims which were subject to misinterpretation had been generally supported in consultation responses. It was proposed that the threshold for the aggregated publication of small-value claims be set at £50. The Board agreed to the proposals as outlined.
- 6.3 The Board agreed to the proposal to aggregate staff absence costs across all MPs, but not to aggregate total staffing costs across all MPs due to the negative impact this would have on transparency.
- 6.4 The Head of Policy presented recommendations concerning the recognition of MPs' staff past service for the purposes of redundancy and parental leave pay. It was not recommended that sick pay should also be included due to the possible negative impacts and data protection issues that could arise. It was recommended that the recognition of past service for MPs' staff be implemented by default, and that a maximum break in service of sixty days be applied in recognition of the time in which it can take MPs to recruit and onboard staff. The Board agreed to the recommendations, alongside approval of legacy redundancy costs relevant to an MPs' staff member's previous service being assigned to a contingency budget. It was noted that the maximum break in service agreed could be subject to review if it was found not to be practical.
- 6.5 The Head of Policy presented recommendations on the enabling of intra-office loans and secondments for MPs' staff. It was noted that due to the complexity of operationalising these proposals, such work would not be completed until mid-to-late 2025 at the earliest. The Board approved the recommendations, asking that the executive leadership team agree on an implementation timeline proportionate to demand and current circumstances.
- 6.6 The Head of Policy presented a recommendation not to introduce a cap on communications funding for MPs, following mixed responses to the proposal outlined in the consultation. It was understood that there was a risk that a cap could negatively impact upon MPs' ability to communicate with their constituents, and a recognition that the demographics of some

constituencies necessitated a greater reliance on printed communications. The Board agreed to the recommendation, but understanding the continued risk in this area of spend agreed that it be used as a pathfinder issue in the implementation of principles-based regulation. The Board agreed to return to the proposal of a cap on communications funding in future should the agreed approach turn out to be insufficient. The Board also agreed to allowing MPs to claim for the cost of newsletters, provided that content remained within the guidelines set. There was general recognition that guidance in this area and the provision of template documents could help encourage compliance.

- 6.7 The Head of Policy presented recommendations concerning MPs' work accommodation. It was suggested that a clearer set of expectations could be provided in relation to accommodation funding that MPs would need to make a declaration in relation to in order to access such a budget; that the practice of MPs renting accommodation from other MPs should be prohibited, with a phased process of change applied to existing arrangements; and that recognition of a greater diversity of familial arrangements should be built in to IPSA's policy on dependants. The Board agreed to all recommendations.
- 6.8 The Head of Policy presented a recommendation for the introduction of a written declaration to be made by MPs upon the procurement of any new bought-in service supplier, that would cover consideration of conflicts of interest. Further to this, in instances of high assessed risk, a requirement to formally register a bought-in service with IPSA could be established. The Board agreed to the recommendation, noting that the definition of conflicts of interest should be aligned as closely as possible with that applied by the PCS. The Board also agreed to the recommendation for claims relating to parliamentary accountancy to no longer be permitted given that MPs did not now have a requirement solely because of their office to complete a self-assessment tax return.
- 6.9 The Board discussed equality and diversity impacts of the consultation and considered the request made by several respondents for IPSA to collect data relating to the protected characteristics of MPs' staff. It was noted that this was a complex issue given that IPSA was not the employer of MPs' staff, and that this would need to be returned to for further consideration.
- 6.10 Finally, the Head of Policy presented a recommendation for a tactical change to bring arrangements in line with best practice to stop the funding of MPs' staff personal phone devices for work purposes given the tax implications of continuing to do so. The Board agreed to the recommendation and registered their thanks to all who had worked on the consultation.

7. Update on Financial Planning and Analysis Software Implementation

- 7.1 The Director, Finance provided an update on the implementation of financial planning and analysis (FP&A) software, noting that this had formed part of a concerted effort to change how

the Finance team operated in order to increase efficiency. FP&A software was currently being utilised in management reporting activity, leading to better information being provided and helping to improve budgeting and forecasting accuracy. The next phase of the project would look at how FP&A software could assist budget owners within IPSA, whether it could aid Account Managers in the understanding of individual MP spending patterns, and ultimately, in line with IPSA Online front-end development, consider how Members themselves could benefit from better tools of analysis. The Board received the update with thanks, noting that this was a concrete example of a technological investment bringing about increased efficiency.

8. Bad Debt Report

- 8.1 The Director, Finance presented the Bad Debt Report, noting that bad debt (defined as debt older than thirty days) had increased during the General Election period, mainly as a result of outstanding deposit loans and rent overpayments linked to departing MPs. Given the progress made on debt recovery prior to the election, confidence was expressed in IPSA's ability to reduce the headline figure. It was highlighted that salary overpayments debt had remained flat over the election period, thanks to improved processes and consistent messaging. The Board was assured that all such debt would be resolved by the end of 2025, with progress to be visible from February. It was also recognised that an improved process concerning deposit loans was needed to aid as much in the prevention of such payments becoming bad debt as in their recovery. Finally, the Board asked for regular debt reporting to be included as part of the regular Finance Report.

9. Finance Report and Management Accounts

- 9.1 The Director, Finance presented the Finance Report and Management Accounts, highlighting the recent increase to the funding requested as part of the supplementary estimate process which had resulted from analysis of a higher draw-down rate against their budgets seen amongst new MPs. As IPSA tried to account for actual rates of spend against budgets in the main estimate submitted to SCIPSA, further work would need to be done to assess whether such draw-down rates were indicative of longer-term spending patterns. The main estimate was due to be sent to HM Treasury for review in early February. The Board recognised the need for further work to be done in understanding the spending patterns of new Members to ensure the accuracy of the main estimate was upheld.

10. Board Programme of Work, Reflections, and Any Other Business

- 10.1 The Board noted the forward plan.

Annex One

In attendance:

Ian Todd, Chief Executive

Lee Bridges, Director, Policy and Engagement

Karen Walker, Director, MP Services, Strategy and Change

Thomas Fitch, Director, Finance

Chief of Staff

Head of Policy

Head of Strategic Communications (Item 4)

Communications and Engagement Manager (Item 4)

Remuneration Policy Specialist (Item 5)

Policy Manager (Item 6)

Policy Specialist (Item 6)