

**Minutes of a meeting of the Board of IPSA
Wednesday 24 July 2013**

Present	Sir Ian Kennedy, Chair Sir Neil Butterfield Liz Padmore Anne Whitaker Tony Wright Andrew McDonald, Chief Executive Nick Lee, Head of Board and Chief Executive Office Peter Davis, Compliance Officer [item 8]	Belinda Brown, Head of People, Performance and Pay Victoria Elliott, Change Manager [item 4] Kelvin Launchbury, Head of Validation and MP Support [item 4] Philip Lloyd, Director of Finance and Corporate Services John Sills, Director of Policy and Communications Anita Hoque, Business Delivery Manager [item 4] Briony Carew, Assistant Policy Manager [item 3] Tony Hodges, Policy and Communications Officer [item 3] Tony Lord, Head of Policy [item 3]
Apologies	None.	
Status	As approved for publication at the meeting of the Board of 26 September 2013.	
Publication	Approved for publication no later than 17 October 2013.	

1. Welcome

1.1. The Chair welcomed the Board to the meeting.

Declarations of interests

1.2. There were no new declarations of interest.

1.3. The Board noted that, since Tony Wright was no longer a member of the advisory board of the Parliamentary and Health Services Ombudsman, the possibility of a conflict of interests arising from IPSA's work to identify alternative accommodation did not arise.

2. Minutes of previous meetings, action list and matters arising

IPSA/130724/1A – Minutes of a meeting of the Board of 16 May 2013; IPSA/130724/1B – Minutes of a meeting of the Board of 22 May 2013; IPSA/130724/1C – Minutes of a meeting of the Board of 26 June 2013; IPSA/130724/2 – Action list

Minutes of a meeting of the Board of 16 May 2013

2.1. The Board approved the minutes of the meeting of the Board of 16 May 2013 for publication.

Nick Lee to arrange for the publication of the minutes of the meeting of the Board of 16 May 2013.

Minutes of a meeting of the Board of 22 May 2013

2.2. The Board approved the minutes of the meeting of the Board of 22 May 2013 for publication.

Nick Lee to arrange for the publication of the minutes of the meeting of the Board of 22 May 2013.

Minutes of a meeting of the Board of 26 June 2013

2.3. The Board agreed to provide any comments on the draft minutes of the meeting of the Board of 26 June 2013 no later than 31 July 2013 and to approve them for publication, amended as appropriate, thereafter.

Nick Lee to arrange, subject to feedback from the Board, for the publication of the minutes of the meeting of the Board of 26 June 2013.

2010 panel of MPs

2.4. The Board noted that the Chair had written to a small number of MPs who were first elected in 2010, inviting them to meet the Board in October so as to discuss the issues raised in the review of MPs' pay and pensions.

3. MPs' pay and pensions: Report back

3.1. The Director of Policy and Communications reported that:

- the consultation on MPs' pay and pensions had been launched, as planned, on 11 July, prompting a lively reaction from both the media and from interested parties;
- as expected, there was little political support for the proposals in public;
- initial discussions with MPs suggested that, while some were supportive in private, they were not prepared to adopt the same position in public or in responses to the consultation;
- polling carried out earlier that month showed that a majority of the public wished to know more about what their MP did in Westminster and that a significant majority would find the provision of an annual report a useful means of achieving this; and
- as part of the consultation, meetings were scheduled to take place in September 2013 with interested parties, including the Liberal Democrat parliamentary party, the Leader of the House, the Speaker's Committee for the IPSA, the Chairmen's Forum and others. Work was also under way to organise a seminar at the Institute for Government.

3.2. The Board noted that:

- the proposed increase in pay inevitably meant that some MPs would be asked if they would 'take' a pay rise even though they would receive it automatically;
- it was important to draw attention to the lag in MPs' pay that had arisen, and the extent to which IPSA's proposals were intended to address this lag;
- further work was under way to assess the cost of IPSA's proposals, and of any changes that it might make in advance of making a final determination; and
- much of the initial reporting had overlooked the fact that IPSA's proposals were still subject to consultation, and that no final decision had yet been made and that IPSA was, in any case, obliged by statute to review its determination in the first year of a new Parliament.

Annual reporting by MPs

3.3. The Board noted that:

- there had been relatively limited media interest in its proposals for MPs to produce an annual report, not least as a consequence of the focus on the headline figure for pay;
- these proposals had the potential to improve public understanding of MPs' work;
- if they were to bear fruit, additional work would be required so as to develop them further; and
- whatever form reports took, it would be important not, as a consequence, to create perverse incentives.

5. Strategy and planning

IPSA/130724/4 – Strategy and planning; IPSA/130724/4A – IPSA's accommodation

5.1. The Head of People, Performance and Pay introduced a paper setting out IPSA's preparations for the review of strategy scheduled to take place in autumn 2013.

5.2. The Board agreed that:

- it would be important for the Board to discuss IPSA's strategy, not least given that the Board would need to make a number of important decisions now to inform IPSA's planning for 2015 and beyond; and,
- at the same, any such forward look would need to focus on tangible issues and specific challenges faced by IPSA.

Nick Lee to confirm timing of Board strategy discussion in October 2013.

Accommodation

5.3. The Head of People, Performance and Pay reported that:

- the lease on IPSA's office accommodation in Portland House expired in March 2015, with no option to extend it; and
- IPSA needed, therefore, to have identified and moved into new accommodation no later than autumn 2014 so as to enable the effective preparation for, and delivery, of its commitments around the general election expected in 2015.

5.4. The Board noted that:

- there continued to be a strong case for IPSA to be located in central London, within reasonable distance the Houses of Parliament although not necessarily in SW1; and
- if IPSA were to acquire a new lease in 2013, there might be provision for future subletting. This would, however, inevitably mean making some assumptions about IPSA's business future model as it bore upon its accommodation requirements.

5.5. The Director of Finance and Corporate Services reported that:

- a potential property in the Victoria area, representing good value for money, had been identified; and
- before IPSA moved, it would seek a tenant for its current accommodation to avoid the risk that, from the start of the following financial year, IPSA found itself meeting rental costs on two leases.

5.6. The Chief Executive noted that:

- IPSA had initially sought to identify property on the Government estate. It had, however, not been possible to identify any such available property in the required location and so IPSA had instead sought to identify properties on the open market;
- there were risks entailed with the proposed approach – not least that the preferred property that had been identified might, in the event, be unavailable once IPSA had identified a new tenant for its existing lease; and
- it would nevertheless be important first to begin work on subletting so as to mitigate the risk that IPSA would otherwise incur costs with respect to two different leases from April 2014.

5.7. The Board agreed to note the work under way to identify a new property and to sublet IPSA's existing accommodation.

Philip Lloyd to begin work to attempt to sublet IPSA's accommodation.

6. Finance report

IPSA/130724/5 + annexes A and B – Finance report

6.1. The Director of Finance and Corporate Services introduced a report setting out the management accounts to 30 June 2013. He reported, in particular, that:

- expenditure with respect to MPs' business costs and expenses (subhead A) was as expected, with a slight underspend;
- expenditure with respect to IPSA's core running costs (subhead B) was on track, with underspends in some areas reflecting the fact that project costs had been recharged, where appropriate, to subhead C; and
- expenditure with respect to IPSA's project costs (subhead C) was lower than forecast because auto-enrolment was not now required until 2015/16 and because some costs relating to the work to prepare for the general election had not been incurred as early as had been expected.

6.2. The Board agreed to note the report of the Director of Finance and Corporate Services.

7. Chief Executive's report

IPSA/130724/8 + annex A - Chief Executive's report; IPSA/130724/7 + annexes A – C – Board Update

7.1. The Chief Executive introduced a report setting out IPSA's work since the previous meeting of the Board. He reported, in particular, that:

- the Upper Tribunal was now expected to hear IPSA's appeal before the end of 2013;
- data on IPSA's performance had been tabled, showing that IPSA was currently on track to meet all its key performance indicators;
- work would begin in the autumn on the redesign of key operational processes so as to ensure their accuracy, effectiveness and efficiency;
- work was under way to review IPSA's policy on complaints. He was concerned, in particular, that the policy should both be proportionate and allow for the effective resolution of complaints as well as addressing issues below that threshold; and
- the results of the annual survey of MPs would be brought to the Board in September 2013.

7.2. The Board agreed to note the report of the Chief Executive.

Nick Lee to circulate the results of the 2012 survey of MPs.

8. Compliance Officer's report

IPSA/130724/10 – Compliance Officer's report

8.1. The Compliance Officer introduced a report setting out his work over the preceding month. He reported, in particular, that:

- he had, a few moments previously, published a statement of findings with respect to his investigation of claims made by Nadine Dorries MP; and
- with respect to all his investigations, if he felt that there were lessons to be learned for IPSA (for example, with respect to the provisions of the *MPs' Scheme of Costs and Expenses*), he would communicate these to the Board and Executive.

8.2. The Board agreed to note the report of the Compliance Officer.

9. Any other business

9.1. There was no other business.

Meeting closed.