

**Consultation on IPSA's
Publication Proposals**
June 2010

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1. INTRODUCTION – SCOPE OF THIS CONSULTATION

- 1.1 The Independent Parliamentary Standards Authority (IPSA) is a new statutory body, independent from Parliament, Government and political parties. It was established by the Parliamentary Standards Act 2009 (“the 2009 Act”), which received royal assent on 21 July 2009. The 2009 Act required IPSA to devise and administer an expenses regime for MPs, and to administer MPs’ salaries and pension contributions. The MP Expenses Rules came into effect on 7 May 2010.
- 1.2 Following a series of recommendations from the Committee on Standards in Public Life (CSPL), the previous Government – with the support of the two parties now forming a Government – agreed to make early revisions to the 2009 Act.¹ Those revisions were made through additions to the Constitutional Reform and Governance Act 2010 (“the 2010 Act”), which received royal assent on 8 April 2010.
- 1.3 IPSA’s priority has been to devise arrangements for the payment of MPs’ and their staff’s salaries and expenses that would be fair, workable and transparent, and would be up and running from the start of the new Parliament. This challenge has now been met. Following the passage of the 2010 Act there is an imperative on to ensure that all remaining aspects of the new regime for the regulation of MPs’ expenses are operable as soon as possible. In order to achieve this, the 2009 Act requires IPSA to consult in a number of specific areas, one of which relates to the publication of claims.

About this consultation

- 1.4 The Parliamentary Standards Act (PSA), later revised by the Constitutional Reform and Governance Act (CraG), give IPSA several responsibilities on the need to consult on publication. Specifically, IPSA is obliged to consult when determining procedures to be followed by in relation to publication of the information on expenses, and to consult when adopting a publication scheme under the Freedom of Information Act.
- 1.5 This consultation is being conducted in accordance with the Cabinet Office’s Code of Practice on Consultation. However, the pressing need to publish the first tranche of expense claims means that IPSA is not able to consult for the twelve-week period recommended in that Code. IPSA believes that it is essential for public confidence in the new expenses system that it starts to publish claims soon.
- 1.6 IPSA now wants to hear from a wide range of people and organisations, in addition to those with whom it is required by statute to consult, so that all those with an interest may have the opportunity to consider the

¹ Twelfth Report of the Committee on Standards in Public Life, “MPs’ Expenses and Allowances”, Cm 7724, November 2009

details associated with publication, and put their views forward. Following this consultation, IPSA will review carefully all comments received., and use them to help implement the resulting publication processes.

Content of this paper

1.7 This paper is organised as follows:

Chapter 2 looks a brief history and background of MPs' expenses claims and publication.

Chapter 3 sets out the principles on which our proposals are based.

Chapter 4 details some of our specific proposals.

Chapter 5 presents our publication scheme.

Chapter 6 outlines our publication process, including handling of rejected claims.

2. BACKGROUND

- 2.1 The history of the Parliamentary expenses scandal of 2009 is equally a history of the importance of publication and transparency. An organisation's approach to publication, in terms of what information to publish and how often, follows directly from its general approach to transparency.
- 2.2 Few would argue that had there been a greater culture of transparency in the House of Commons (and with it a greater acceptance of the Freedom of Information Act), the expenses scandal may have been avoided.
- 2.3 This history goes some way to highlighting the importance of transparency to IPSA. We should not be reluctantly following the Freedom of Information requirements, but rather acting as a model of openness and transparency, within carefully developed limits.
- 2.4 We have been guided on where those limits are through consideration of the Freedom of Information Act and through discussions with experts (including the Campaign for Freedom of Information, the Information Commissioner's office, and House of Commons Security). This consultation document gives the opportunity to a wider audience to contribute to these discussions, and comment on whether they believe our proposals have managed to find the balance between being as transparent as possible, without compromising an MPs' right to their personal information being protected, and without compromising their security.

History

- 2.5 Soon after the Freedom of Information Act 2000 came into effect in 2005, requests for details of MPs' expenses were filed by FOI campaigners and journalists. Their requests were rejected by the House of Commons authorities, and an investigation launched by the Information Commissioner.
- 2.6 On 18 December 2006, Conservative MP David Maclean, introduced a Private Member's Bill to remove Parliament from the scope of the FOI Act and create a new exemption for MPs' correspondence with public authorities.
- 2.7 The Bill was passed by the House of Commons on 18 May 2007, despite attempts by an all-party group of MPs to try and block it, but failed to progress in the Lords where it did not have a sponsor.
- 2.8 In February 2007, the Information Tribunal ruled that the House of Commons must publish a breakdown of MPs' travel expenses.

- 2.9 In June 2007 the Commissioner ruled that the public had the right to know broad details of MPs' spending on second homes, but held, on privacy grounds, that full itemised details did not need to be published.
- 2.10 In January 2008, the Information Tribunal ruled in favour of the disclosure of details of expenses claims, ordering the Commons to publish documentation relating to a group of MPs within 28 days.
- 2.11 In May 2008, the Commons authorities' appeal against the Information Tribunal's ruling was dismissed by the High Court.
- 2.12 In July 2008 the Freedom of Information (Parliament and National Assembly for Wales) Order 2008 was issued under Section 7 of the FOI Act. This Order amended the FOI Act so that the House of Commons (and Lords and Welsh Assembly) is no longer a public authority in relation to the following categories of information. It should be noted that these are not exemptions; the Act simply does not apply to the following categories of information when held by the House of Commons (and Lords and Welsh Assembly) :

- information relating to any residential address of a member of either House of Parliament,
- information relating to travel arrangements of a member of either House of Parliament, where the arrangements relate to travel that has not yet been undertaken or is regular in nature,
- information relating to the identity of any person who delivers or has delivered goods, or provides or has provided services, to a member of either House of Parliament at any residence of the member,
- information relating to expenditure by a member of either House of Parliament on security arrangements.

- 2.13 In June 2009, the Government published its Parliamentary Standards Bill, which was taken through Parliament in less than a month to become law on July 21. The legislation removed MPs' right to set their own allowances and establishes a new Independent Parliamentary Standards Authority to administer pay

and expenses and a Commissioner for Parliamentary Investigations to probe alleged breaches of the rules.

- 2.14 Effective from May 2010, the Independent Parliamentary Standards Authority now has responsibility for both the processing, and publishing of MPs' expenses claims.

3. PRINCIPLES

- 3.1 In reaching our proposals, the balance between several interrelated principles was considered. The starting point, as one of IPSA's underlying values, is the need to be as transparent and open as possible.
- 3.2 This principle is tempered by the exemptions and responsibilities that every public body has under the Freedom of Information Act. In particular, IPSA needs to protect personal data (not just of claiming MPs, but of third parties), respect the safety and security of MPs, and protect any commercially sensitive information (e.g. when publishing details of contracts). We are also conscious of the workability of any of our proposals, and the associated administrative burden that they may create.
- 3.3 Further to these principles, we have also paid careful attention to the principles underlying the Information Tribunal decision² on MPs data, whilst being conscious that IPSA will also hold information on MPs' staff, and third party organisations. The Tribunal ruled that information on MPs' expenses claims should be published, unless it falls into one of the following categories:

- Any sensitive personal data, relating to the MPs named in the requests, within the meaning of the Data Protection Act s2(a), (c) or (e)-(h).³
- Personal data of third parties (not the MPs). But this exception shall not extend to the name of any person to whom the MP paid rent or mortgage interest which was claimed under the additional costs allowance. (accommodation allowance)
- The MPs' bank statements, loan statements, credit card statements, other personal financial documents, and financial account numbers and financial reference numbers. This exclusion shall not extend to the names of mortgagees, chargees or landlords in respect of homes for which ACA was claimed, or to the amounts of interest or rent which were paid, claimed and reimbursed under ACA or (subject to the requisite redactions of sensitive or irrelevant data) to the information submitted in support of such claims contained on statements of account with mortgagees, chargees or landlords: these items of information must be disclosed.
- The itemised parts of telephone bills listing calls to individual numbers.
- The names and addresses of suppliers or contractors who had regular access to the MPs' homes.

² Information Tribunal Appeals Numbers: EA/2007/0060, 0061, 0062, 0063, 0122, 0123, 0131

ON APPEAL FROM Information Commissioner's Refs: FS50070469, FS50051451, FS50079619, FS50124671

³ (a) the racial or ethnic origin of the data subject, (c) his religious beliefs or other beliefs of a similar nature, (e) his physical or mental health or condition, (f) his sexual life, (g) the commission or alleged commission by him of any offence, or (h) any proceedings for any offence committed or alleged to have been committed by him, the disposal of such proceedings or the sentence of any court in such proceedings.

- All details relating to the security measures at the MPs' homes (whether goods or services), save that where an amount has been identified by the MP as relating to security, that reference and the total amount attributed to it shall not be redacted.

3.4 The security of MPs is a key factor when considering any of our publication proposals. It should also be noted here it is our view that that none of our current proposals would facilitate or increase the likelihood of such attacks in the future; it is a common undertaking in the role of an MP to hold regular open surgeries for their constituents.

3.5 Although we started from the principles outlined above, and developed our own set of proposals, we are by no means the first to consider the publication of MPs' expenses. A fuller history of this issue is beyond the scope of this document, but in particular, the Members Estimate Committee guidelines (October 2009) and the Information Tribunal guidelines (above) have proved useful comparators.

3.6 Our own proposals are set out in detail at Annex A. Where they differ from current arrangements it is generally because we have weighed the principles against each other slightly differently. It is clear that transparency is of particular importance to IPSA, because of the significant public interest in expenses claims, the reputational risk to IPSA that would arise from the perception that it was withholding information without good reason, and the duties that IPSA has under the Constitutional Reform and Governance Act, which modifies Section 3 of the Parliamentary Standards Act, as follows:

"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."

"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"

4. OUR PROPOSALS

4.1 We welcome responses to any aspect of our proposals, but have focussed in this paper on areas which we believe to be of particular interest. A more detailed list of our proposals is set out at Annex A.

Staff salaries

We propose to publish salaries for all staff in ranges of £5000. In addition to this, we propose to publish precise salaries for connected parties⁴.

4.2 It is not standard practice in the public sector to publish full salary details of all staff, although staff above a certain grade or in a particular position may indeed have their precise salaries published. Likewise, salary details of MPs' staff have not been explicitly published, but rather it has been the practice to publish the amount each MP has spent under their staffing allowance. There is an argument that we should make available more than just the overall amount an MP spends on staffing, especially given that MPs can continue to employ connected parties. We have already stated our intention that in allowing employment of a connected party, the precise salary of such employees will be published.⁵ The public should be able to satisfy themselves that an MP is not paying any staff member above the market rate for a job, and that they are obtaining value for money in employing their staff.

4.3 Given all this, our proposal is to publish staff salaries in ranges of £5000, and to publish details of which MPs employ connected parties, along with the precise salaries of these staff.

Journeys by public transport

We propose to publish the date, the origin and destination of MPs' journeys. We will not publish the time the journey was undertaken.

4.4 Details of journeys made by MPs are currently exempt from publication, under the Order outlined at 2.13. This is due to the belief that in publishing details of MPs' journeys, the MP may be exposed to security threats. This argument has been expressed to us from several sources.

⁴ A "connected party" is defined as:

- a spouse, civil partner or cohabiting partner of the member;
- parent, child, grandparent, grandchild, sibling, uncle, aunt, nephew or niece of the member or of a spouse, civil partner or cohabiting partner of the member; or
- an individual or organisation where there exists a relationship as set out in the Companies Act 2006

⁵ Paragraph 179, report on the consultation: MPs' expenses: a consultation.

4.5 We remain unconvinced by this; MPs are public figures, the public have access to them on numerous occasions, know where they hold their surgeries, and their regular routes of travel will in most circumstances be obvious in any case. Conversely, the purpose of transparency is to reassure the public that journeys were necessary, and to allow enough information to determine whether IPSA was right to make its judgement; we therefore argue that the public interest in publishing these details outweighs other considerations.

4.6 We believe that in not publishing the time the journey was undertaken, any risk of threat that may be increased by regular journey patterns being published, will be removed.

4.7 We are aware that some MPs may face particular security threats. We would of course work with the relevant security organisations⁶, and take advice on a case by case what to publish in these circumstances, equally if we were informed that changes in the UK threat level had an effect on what we should publish, we would listen.

Residential Address details.

We propose to publish only the first half of the postcode of MPs' addresses.

4.8 Details of MPs' addresses are not currently published, again exempted under the FOI order. The argument that in doing so an MP would face increased security threats is persuasive. However, there is a case to be made for publishing details of MPs' accommodation that is funded from the public purse. In the past there were abuses of this expense category, where claims were made for properties that were clearly not being used to assist MPs in fulfilling their parliamentary duties, for example if they were so far from either their constituencies or Westminster to render them of no assistance.

4.9 Clearly, we could not defend a position which failed to specify which MPs were claiming for accommodation expenses, and whether the accommodation they claimed for was in London or their constituency.

4.10 It is also important to consider what is already available in the public domain; some details on MPs' home addresses are already published, given previous requirements on candidate's nomination papers. However the Political Parties and Elections Act 2009 introduced new arrangements about candidates' home

⁶ Including the Home Office's Office for Security and Counter Terrorism, the Cabinet Office, the House of Commons Serjeant at Arms' office, the Parliamentary Security Coordinator, the Palace of Westminster Police or a UK Police Force. The term "Police" refers to the 43 local constabularies.

addresses and their inclusion on the nomination paper, and thus on the ballot paper. Formerly, the full home address of the candidate was required on both. Under the new arrangements a candidate can choose either to have his full address included as before, or to have only the constituency (or if outside the UK, the country) in which he or she lives recorded. Each candidate must complete a separate form at the time of nomination to include all these details, but only those details he or she wishes to reveal will be included on the ballot paper and be publicly available on the statement of persons nominated and the ballot paper.

4.11 We therefore propose to publish only the first half of the postcode of MPs' addresses. We also propose to publish whether the accommodation is owned or rented, and how much is being spent on each claim (both for rent and for associated costs such as utilities). The question is whether the public needs to know the address for which the expenses were claimed, and whether that need outweighs any potential security risks.

4.12 We believe that our proposal finds the balance between giving the public enough information to be satisfied that the expenses claimed are genuine, and protecting MPs' security and that of their families.

Security and disability claims.

We propose to publish only the amounts claimed under these budgets for Parliament as a whole, and not to publish any details relating to individual MPs.

4.13 Neither of these budgets is currently published by the House of Commons, being exempt under the FOI Order. The reasoning behind this is again clear; claims relating to an MP's health and disability are clearly personal in nature, especially when such disabilities may not be immediately apparent. Publishing detailed information about the nature of MPs' security claims may put their safety and the safety of others at risk, for example if detailed information about how an MP protects their home was made public.

4.14 Conversely, there is still a public interest in knowing how much is spent under each of these budgets. It is still paid from public funds, and should still pass the test that the expenditure must facilitate parliamentary activities. Given that we wish to be as transparent as possible, we propose to publish only the amounts claimed under these budgets, and not to give any further details, i.e. not to publish receipts, not to publish the names of any suppliers, or the type of equipment purchased.

4.15 Furthermore, given the lack of evidence of abuse in the past of these budgets, we are confident that our proposals meet the public interest test.

5. PUBLICATION SCHEME

5.1 As with any public authority, IPSA is obliged by the Freedom of Information Act to adopt and maintain a publication scheme that specifies the following:

- classes of information which the public authority publishes or intends to publish,
- the manner in which information of each class is, or is intended to be, published, and
- whether the material is, or is intended to be, available to the public free of charge or on payment.

5.2 Our publication scheme then, must describe the information we regularly publish, or intend to publish. The information listed is what we would intend to publish proactively on our website (and indeed much of this has already been published); we would also be required to make decisions on any other requests for information and documents on a case-by-case basis.

5.3 Annex B gives our proposed publication scheme. This is based on the standard model scheme as drawn up by the Information Commissioner, and gives information set out in the following classes:

- Who we are and what we do
- What we spend and how we spend it
- What our priorities are and how we are doing
- How we make decisions
- Our policies and procedures
- Lists and registers
- The services we offer.

5.4 We have developed this in consultation with staff from the Information Commissioner's office, who are broadly content with the proposals.

6. PUBLICATION PROCESS

Publication of rejected claims

6.1 We have clearly set out our intention to publish all claims, both rejected and accepted. The principle behind this approach is clear, but we would not wish to damage the reputation of individual MPs by publishing a claim rejected due to genuine administrative error on either their part, or ours.

6.2 As far as possible, the system recognises and will refuse many incorrect claims before they are submitted. However, no matter how sophisticated the system it is likely that claims containing administrative errors on either the MP's or our part may get through.

6.3 As such, the process below, gives a 14 day window in which the MP will be informed that their claim has been rejected, in order for them to resubmit and correct any errors. A flow chart of this process is also included below. Publication here will take place only after a decision has been made on the reviewed claim.

Process of handling rejected claims

6.4 When MP requests review:

- Receipt arrives and is matched to the claim
- Claim is rejected
- The MP is informed of the rejection by email
- They have 14 days in which to request a review
- MP requests a review
- The review begins and IPSA has 14 days to complete this review
- IPSA makes a decision and informs the MP
- The result of the review, the rejected claim and the redacted receipt are sent to the validation team to check the information in preparation for publication.
- Publication

6.5 If MP does not request review

- Receipt arrives and is matched to the claim
- Claim is rejected

- The MP is informed of the rejection by email
- They have 14 days in which to request a review
- On day 15, having received no request for a review, the rejected claim and redacted receipt are sent to the validation team to check the information in preparation for publication.
- Publication.

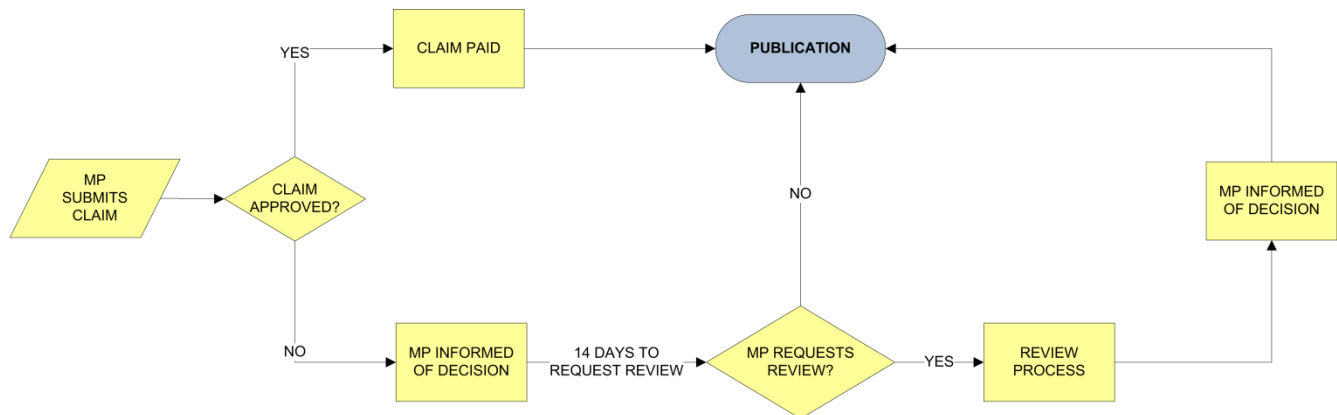


Figure 1 – publication process.

Frequency of publication

6.6 We propose to publish details of expenses claims on a monthly basis. From a user's perspective, this would seem to find the balance between publishing information too regularly, which becomes less meaningful, and publishing an overwhelming amount of data in one go.

6.7 In addition to this data being made available on our website, we propose to publish, in machine-readable format, the raw data behind these claims. This would be made openly available, to allow third parties to analyse the data and use as they see fit. We expect to publish this data on a quarterly basis.

NEXT STEPS

IPSA has set out here its proposed approach towards publication, to allow all those with an interest to consider these proposals, and put their views forward. The consultation period runs from Wednesday 16 June 2010 to Wednesday 7 July 2010. Please ensure you send your response before the closing date as responses received after this may not be considered.

The responses will be published in full, including the identity of the respondent, unless the respondent indicates otherwise and as soon as possible after the close of the consultation period. We will also publish our analysis of the responses.

IPSA asks for responses by email if possible to publicationconsultation@parliamentarystandards.org.uk - please mark the email with the subject 'consultation response'. Responses should be in Word format or a rich text format, with as little use of colour or logos as possible. If you do not have access to email, you may send a paper copy of your response to:

Responses to Consultation on Publication
Independent Parliamentary Standards Authority
7th Floor, Portland House
Bressenden Place
London SW1E 5BH

If you require a hard copy of the consultation paper you can request one in writing by writing to the above address or by emailing publicationconsultation@parliamentarystandards.org.uk .

Annex A – Expenses publication scheme

Item	IPSA propose to redact	IPSA propose to publish
Claim forms (online claims in general)	Details/annotations relating to security expenditure and the Member's address, and 2 nd half of postcode.	All other information will remain including staff annotation and notes, details of reduced or rejected payments, names and addresses of suppliers (both small and large, although see note on when small suppliers have access to MP's home).
Rental agreements	Address of property and 2 nd half of postcode, account numbers.	Name, address contact details of landlord. Terms of agreement, financial details, names of lease holders (even if not a Member).
Mortgage information	Address of property and 2 nd half of postcode, account details/reference numbers.	Name of mortgagees (even if not a Member), provider name and contact details, dates, mortgage value and outstanding sums, payments, property value.
Private and public transport claims	Times of journey	Start and end destinations, reason for journey.
Council Tax	Address of property and 2 nd half of postcode, account details.	Names to whom tax is charged, breakdown of charges, banding, name of local authority.
Insurance policies	Policy and account numbers.	Names of policy holders (even if not the Member), details of cover and cost, company details.
Invoices – large suppliers (e.g., BT, Sky, EDF)	Address of property and 2 nd half of postcode, account numbers, customer reference numbers, a Member's telephone numbers, a Member's email address.	Name of person invoiced (even if not the Member), usage information, dates, company addresses.
Invoices – small business which have access to homes	Member: Address of property and 2 nd half of postcode. Small business: Address of all properties, name of supplier/small trader.	Name of person invoiced (even if not the Member), services provided, hours worked, rates of pay (unless this information is commercially confidential), dates.

Item	IPSA propose to redact	IPSA propose to publish
Till receipts	Only credit card details and items not forming part of claim (if clear or known).	Shop details and location
Correspondence	All correspondence on the file will be published on request, subject to standard FOI rules and exemptions.	All correspondence on the file will be published on request, subject to standard FOI rules and exemptions.
General	Names of third parties and junior staff, private addresses (including actual office address at House of Commons), a Member's telephone and email details, staff email and telephone numbers, employment details of a Member's staff.	Generic IPSA addresses

Annex B: Proposed IPSA publication scheme

Category	Details
Who we are and what we do Organisational information, structures, locations and contacts.	<ul style="list-style-type: none"> • IPSA Org chart, all Band A/SCS and above, with names • Board Members with short biographies • Roles and responsibilities for Senior Leadership • Roles and responsibilities for Board (including the statutory role they fill) • Internal governance - e.g. regular meetings and committees • How senior appointments are made (e.g. Board) • Link to relevant acts (Parliamentary Standards Act etc) • How IPSA works with other bodies (e.g. House of Commons) e.g. line diagram showing interactions at general level • Brief history of IPSA (where it came from etc), what it actually does • Contact details for general enquiries (telephone, email, written)
What we spend and how we spend it Financial information relating to projected and actual income and expenditure, procurement, contracts and financial audit. Financial information for the current and previous two financial years should be available	<ul style="list-style-type: none"> • Resource accounts for each year • Board members salaries, allowances and expenses • Separate policy on publication of MPs' expenses (following consultation) • Pay ranges are included in org charts • Procurement policy • List of major contracts • Statistics on FOI and other correspondence - numbers, percentage responded to in allotted time • Info on how to make an FOI request or other general correspondence, including timescales • FOI disclosure log • Any financial policies
What are our priorities and how are we doing Strategies and plans, performance indicators, audits, inspections and reviews. Available at least for the current and previous three years.	<ul style="list-style-type: none"> • Business model • Annual report • Performance against any Service Level Agreements • Strategic plans
How we make decisions Decision making processes and records of decisions.	<ul style="list-style-type: none"> • Summarised board minutes and agendas, excluding private information • Public consultations, including responses, summarised as appropriate • Non-private papers presented at board meetings • Timetable of meetings, and timescales of when minutes are produced
Policies and procedures Current written protocols, policies and procedures for delivering services and responsibilities.	<ul style="list-style-type: none"> • All IPSA policies and procedures, include placeholders on interim policies • Policy on MPs' expenses (the new rules) • Standards for the provision of services to the body's customers • Info on complaint procedure. (Complaints procedures will include those covering requests for information and operating the publication scheme.) • Records management and data assurance policies • Research or opinion polls carried out
Lists and registers Information contained in currently maintained lists and registers only.	<ul style="list-style-type: none"> • Registers of interest, political activity form, conflict of interests • Hospitality and gifts record for senior staff • Expenses of senior staff • Expenses of board • Hospitality and gifts record for board
The services we offer Information about the services we currently provide including leaflets, guidance and newsletters produced.	<ul style="list-style-type: none"> • IPSA responsibilities in statute • Statistics on claims - as per publication scheme • Services offered to MPs, e.g. advice