

Minutes of a meeting of IPSA's Board

Wednesday 15 July 2020

By conference call

Board Members: Richard Lloyd (Interim Chair)

Sir Robert Owen

Rt. Hon Jenny Willott

Will Lifford

In attendance: Marcial Boo, Chief Executive

Alastair Bridges, Director of Finance and Corporate Services

Vicky Fox, Director of Regulation and Insight

Georgia Wilson, Director of Improvement and MP Support

Head of Communications

Head of Policy and Assurance

Compliance Officer (Item 3)

Head of Operations (Item 5)

Head of Human Resources (Item 7)

Head of IT (Item 8)

Head of Data, Publication, and Validation (Item 8)

Senior Policy Adviser (Item 9)

Executive Assistant and Board Secretary (Minutes)

Status: Submitted for approval at the meeting of the Board on 10 September 2020

1. Welcome and Declarations of Interest

- 1.1 The Interim Chair opened the meeting and invited all to declare any interests not previously recorded. No such declarations were forthcoming.

2. Minutes and Actions List

- 2.1 The minutes of Board meeting of 10 June were approved, with all actions completed to date noted.

3. Compliance Officer's Report

- 3.1 The Compliance Officer presented a quarterly report of her activities and the state of current investigations. Updates on developments since writing and background sought by the Board on specific cases were provided. The Board explored whether any investigations had identified root cause issues or process improvements which IPSA could make to mitigate compliance risks.

- 3.2 The Board noted the report with thanks to the Compliance Officer.

4. Chief Executive's Report

- 4.1 The Chief Executive introduced his report, which showed improving operational performance. Many challenges, however, remained, including making further progress with winding-up the affairs of former MPs and managing a spike in lease renewals. In July, IPSA had published thousands of MPs' claims and three assurance and feedback reviews. The improvement programme continued, with the Board discussing organisational design, data strategy, and digital items at this meeting.
- 4.2 Four payrolls had been run successfully and entirely remotely. Finance payments also continued to be made in good time. In light of IPSA's three tests for safe office return, the Executive was exploring ways in which the office could be made covid-19 secure to enable a safe and socially distanced working environment in future. Staff had been surveyed on their views and preferences for office return, with results showing a clear majority of staff not yet comfortable with returning to the office.
- 4.3 The Board thanked teams for the improvements in operational performance and sought further detail on IPSA's preparedness for future office return. The Chief Executive outlined the preparations made and noted that he had recently held talks

with the House of Commons to share thinking. The Interim Chair added that dialogue with other independent bodies, with whom he met in May, was important too.

- 4.4 At her last meeting before becoming CEO of the Supreme Court, the Board thanked Vicky Fox, Director of Regulation and Insight, for her years of service at IPSA.

5. Report on Complaints

- 5.1 The Head of Operations introduced her report; the first of a new series of quarterly updates to the Board. Progress has been made on complaints management, but work remained to better categorise and identify complaints across IPSA and on its case records management system. IPSA would focus on improving the timeliness of responding to complaints, improving complaint logging, and avoiding issues liable to cause complaints in the first place.
- 5.2 The Board asked if trends could be discerned from the data. The Head of Operations responded that complaints have shifted from resolving concrete technical and process issues to dissatisfaction with the accuracy and speed of responses. Such customer service concerns led to some users escalating queries to the CEO and Interim Chair.
- 5.3 The Board asked if there was a clear definition of 'complaint' to enable staff to accurately identify and distinguish complaints from feedback. It also enquired as to whether teams were noting key themes in order to inform IPSA's improvement work. The Head of Operations confirmed that the Complaints Policy included a clear definition and that training was underway to raise understanding amongst frontline colleagues. Feedback, as distinct from complaints, was used to inform improvement work, with the Director of Improvement and MP Support regularly attending meetings of the MP Staff User Group to capture first-hand user experience.
- 5.4 The Board noted the report, welcomed the actions being taken to improve complaint resolution, and the Head of Operations' commitment to provide quarterly updates including data on the timeliness of responses.

6. Governance Review: Recommendations

- 6.1 The Chief Executive introduced his paper outlining progress made in implementing recommendations of IPSA's governance review, approved by the Board on 21 April.
- 6.2 The Interim Chair suggested the inclusion of an explicit provision in the Board Standing Orders to clarify and outline examples of standard business activities for

which Board members can claim remuneration. Any other activities should have claims for remuneration approved in advance by the Chief Executive, as Accounting Officer, and/or the Remuneration Committee. The Director of Finance and Corporate Services agreed that this would be a helpful governance improvement from an audit perspective.

- 6.3 The Board thanked the Chief Executive for the update and approved in principle the changes made to the Board Standing Orders, Scheme of Delegation, and Code of Conduct, subject to incorporating comments to be sent via email by the Chair of the Audit and Risk Assurance Committee and Chair of the Remuneration Committee. An amended version would return to the Board for formal approval.

7. Organisational Design Recommendations

- 7.1 The Head of Human Resources presented the recommendations of the organisational design review to the Board. The Board agreed the following:
- the overall target operating model moving towards a matrix way of working, subject to further consultation,
 - to review the detailed proposals and shape of the organisation including the senior team in the autumn,
 - that IPSA should take measured decisions to extend fixed-term contracts or make contracts permanent in the MP Support team to ensure capacity to deliver priorities beyond September, while recognising cost constraints.
 - proceed with recruitment of the new Director of Strategy and Change and,
 - to pause recruitment of a new Director of Regulation and Insight till autumn.

8. Data Strategy and Digital First Strategy

- 8.1 The Director of Regulation and Insight presented the data strategy, which had been updated following the Board's February Strategy Day to align it to the goals of the corporate plan and priorities of the improvement programme. The Head of Data, Publication and Validation added that recruitment of a Data Analyst had taken place, thus making this year's priorities within the strategy deliverable this year. The Data Analyst was mapping what data was currently available within IPSA to build upon good data governance structures in place on Business World. Work to make data more useful to MPs would be covered in the improvement programme.
- 8.2 The Board was presented with recommendations to agree the data strategy, agree that IPSA should proceed with the delivery of workstreams 1, 2, 4, and 5 in 2020-21,

and delay commencing work on workstream 3 until 2021-22. The workstreams were briefly summarised:

- Workstream 1: Measuring IPSA's performance – to develop a new methodology for collating KPIs and producing better reports to Directors.
- Workstream 2: Improving IPSA's performance – to support the improvement programme and analyse key processes to identify areas for improvement.
- Workstream 3: Data driven regulation – to develop a transparent risk model for all expense types and reducing the lifecycle of a claim.
- Workstream 4: Architecture and governance – to review our current data architecture to understand data flows through IPSA to reduce blockages.
- Workstream 5: Engagement and culture – to create a data culture and build strong external relationships with trusted experts and other regulators.

8.3 The Board received detail on specific aspects of the strategy. It noted the potential for the strategy to improve transparency and public assurance and agreed the recommendations.

8.4 The Head of IT introduced the paper on the Digital Strategy, noting that it focused on the end-to-end user experience and interactions with IPSA. As such, it could more properly be labelled a service-design strategy with a digital vision. A key underlying principle was that IPSA's services would be designed with users first in mind, with agile, versatile thinking also central. The new phone booking system was an example of a resource-efficient hybrid model being well-received by stakeholders in MPs' offices.

8.5 The Board approved the digital strategy, the annexed list of priorities and deliverables, including the commitment to placing the strategy at the heart of future strategic thinking.

8.6 The Director of Improvement and MP Support added that capacity issues limited frontline teams' abilities to engage in this work and this engagement was crucial to break down silos and enable cross-organisational thinking. The Interim Chair agreed, noting that the Board's steers at this meeting would enable the Executive to determine questions of sequencing and better prioritise current resources.

9. MPs' Pay Review

- 9.1 The Senior Policy Adviser was welcomed to her first Board meeting. She introduced her paper on the review of MPs' pay. The paper asked the Board to approve draft outcomes, principles and objectives of the review, as well as the approach on matters of consultation, diversity, total reward structure and pension provision. A plan was also proposed for stakeholder engagement.
- 9.2 The Board gave the following steers: that IPSA's role in terms of the diversity of Parliament was to ensure that the overall remuneration package was not a disincentive to particular groups or individuals; and that there should be a strong presumption of equality of basic remuneration amongst MPs. The provision of business costs through the Scheme would be the more appropriate way of addressing at least some aspects of the differing circumstances faced by certain MPs. Further consideration was needed as to whether there were issues that should be addressed through the pay review. The Board were mindful of the need to conduct an Equality Impact Assessment and asked the Executive to consider whether this should be conducted within or outside of this review, should issues be found beyond its scope.
- 9.3 The Senior Policy Adviser outlined a two-phased consultation for the pay review. Phase one would focus on which earnings data should be used to benchmark MPs' pay. This was required in 2020 to fulfil IPSA's statutory duties and reflect the changing economic backdrop. Phase two would involve consultation on the overall package, including on matters of diversity, total reward and pensions.
- 9.4 The Board supported this phased approach, subject to the contents and timeline of the approach being approved at later meetings and communicated clearly to stakeholders.
- 9.5 The Senior Policy Adviser proposed a draft plan and set of principles for stakeholder engagement. The Head of Communications noted that engagement would require sensitive handling to ensure that stakeholders were abreast of IPSA's statutory duties and its targeted, careful plans to conduct this review.
- 9.6 The Board thanked the Senior Policy Adviser for the meeting's papers, and asked that she return with a more detailed set of proposals at the Board's September Strategy Day.

10. Updated 2020/21 Budget Forecast & Financial Position and Management Accounts

10.1 The Director of Finance and Corporate Services introduced his report, which included the additional monies approved by the Speaker's Committee for the IPSA on 24 June.

10.2 On MPs' costs, uptake of additional coronavirus-related funding was low, but related queries are rising. Trends, therefore, could not yet be identified. On IPSA's costs, headroom was manageable but tight. This would need to be borne in mind when taking decisions resulting from IPSA's review of organisational design.

10.3 The Chair of the Audit and Risk Assurance Committee requested clarity on the scope within the current budget to deliver the priorities of the improvement programme. The Director of Finance and Corporate Services agreed to provide a detailed table of planned work and associated budget costs.

10.4 The Board noted the report with thanks.

11. Report from the Change Oversight Committee

11.1 A report from the Change Oversight Committee of 24 June 2020 was approved.

12. Board Programme of Work 2020-21 and Any Other Business

12.1 The Interim Chair noted the emerging programme for the September Strategy Day which would be finalised with the Chief Executive over the following week.

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