

Corporate Plan for 2019-20

IPSA was set up in 2009 as the independent body that regulates and administers MPs' business costs, expenses, pay and pensions. This plan sets out IPSA's strategy and priorities for 2019-20.

In this Parliament we have three aims:

To assure the public that MPs' use of taxpayers' money is well regulated

We regulate MPs proportionately and effectively by setting rules that support compliance, and by making independent, fair and transparent decisions in line with our fundamental principles.

We provide assurance to the public by consulting them on our rules, operating transparently and publishing accessible information about MPs' business costs.

**To resource and support MPs appropriately to carry out their
Parliamentary functions**

We support MPs by making accurate payments promptly, providing clear advice and guidance about MPs' responsibilities for public money in line with IPSA's Scheme of rules, and by continuously improving our systems and processes to make them more efficient and effective.

To enable our staff to be a high-performing, professional team

We develop our staff by giving each person the tools, training and support to perform professionally and achieve excellence in a strong team that is underpinned by respect and trust.

We will place our values of professionalism, respect, integrity, collaboration and improvement at the centre of everything we do.

Our Activity in 2018-19

1. In 2018-19, we expect to conclude our work to implement IPSA's improvement programme to upgrade our systems and our support to MPs. This lays the foundations for further continuous improvement in 2019-20.
2. In addition, we made progress in our five priorities for the year:
 - a) Maintain a strong and supportive regulatory environment for MPs
 - b) Implement a programme of continuous improvement
 - c) Provide assurance to the public
 - d) Strengthen our arrangements for data security and information governance
 - e) Invest in our team
3. And we continued to perform to a high standard in our core functions of paying 650 MPs and over 3,000 members of their staff accurately and on time, validating around 180,000 annual claims for MPs' business costs quickly, and publishing data about MPs' expenditure throughout the year.

IPSA Online Improvement Programme

4. Having successfully delivered the first four parts of our improvement programme on schedule, we intended to go live with the final part, our new finance, payroll and expenses system, in July 2018. We nonetheless took a low-risk approach and delayed the launch in order to conduct further end-to-end checks of the system to ensure that we and MPs did not experience any teething problems with the new technology.
 5. The delay enabled us to retender the contract with our IT supplier at the end of their two-year term in September 2018, signing with a new IT hosting firm and a new IT partner to implement the final stages of the software. This helped us to achieve improved value for money for the taxpayer over the medium and long term.
 6. We engaged MPs and their staff on the planned improvements, including through 20 country-wide IPSA Online training sessions and other events attended by staff from two-thirds of MPs' offices. This gave us further opportunities to test the new system and hear feedback. MPs and their staff universally welcomed the improvements. We were also able to implement 'single sign-on' from Parliamentary accounts to the IPSA Online Homepage, the intranet for MPs and their staff which pulls together all links and guidance in one place.
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Our Priorities

7. We maintained a strong and supportive regulatory environment for MPs during 2018-19. Compliance with IPSA's rules was high, as shown in our published data and assurance reports. In July 2018 we concluded our statutory review of MPs' pay, determining that it should remain linked to changes in public sector earnings. As a result of our experience and feedback after the 2017 General Election, we also introduced a winding up payment for MPs that lose their seats at future General Elections. We announced largely technical changes to MPs' pensions scheme in July 2019. We built links with similar bodies who have a similar remit to our own, including in Australia, Chile and Ghana, and hosted an international conference in March 2019. We established a new network of UK nonfinancial regulators in order to share good practice.
8. In addition to our work to implement the IPSA Online improvement programme, we implemented continuous improvements in our operations through regular, lessons learned reports to act where there have been errors or delays. We created a small 'innovation fund' to identify further ideas for improvement. We will build on this, and on the introduction of our new system, as part of further continuous improvement in 2019/20.
9. In 2018-19, we also conducted General Election planning, working closely with the House of Commons. This included reviewing our processes and resource requirements, the Dissolution Guidance we give to MPs, and the arrangements to support departing MPs. We worked with the House on the arrangements to welcome new MPs, drawing on feedback from 2015 and 2017.
10. To provide assurance to the public, we published annual data on MPs' expenditure in November 2018, alongside our second annual assurance report which covered all the activity undertaken during the year to check that MPs' claims are in line with the Scheme rules. This included detailed reviews relating to the 2017 General Election and how MPs use the funding available to them to rent constituency offices.
11. During 2018-19 we achieved compliance with the General Data Protection Regulation, and put in place further measures to strengthen our data security and information governance framework, including through the appointment of seven internal IPSA Managers as Information Asset Owners. We now operate 'Privacy by Design' to ensure that we consider data protection as part of everything that we do, particularly conducting Data Protection Impact Assessments before starting all new projects. We also updated our data sharing agreement with the House and have improved our cyber security defences to comply with industry-recognised standards.
12. We took forward measures to invest in our team, including a skills audit of our staff and a training plan to improve skills and performance. All staff took part in workshops on

diversity, teamwork and mental health. We developed a succession planning toolkit to enable managers to hold meaningful conversations with their staff about their career aspirations and future development needs. We participated in the Mind Work Wellbeing Index to devise a work plan to improve staff wellbeing. We revised our staff handbook to comply with changing legislation and introduced new policies including flexible working performance management and pay policy.

Our Performance

13. We use monthly data to monitor our activities and identify where we are performing well and where we need to improve. Our key performance indicators give us an assessment of our core functions of regulating MPs' business costs, resourcing and supporting MPs, and providing assurance to the public. Our indicators are:
 - a. Fewer than 1 per cent of MPs' claims are outside the Scheme;
 - b. Claims are reimbursed in under 8 calendar days;
 - c. Payroll accuracy is over 99.75 per cent;
 - d. Over 90 per cent of emails are responded to within 5 working days;
 - e. Over 60 per cent of MPs and their staff are satisfied with IPSA support;
 - f. Our publication of MPs' claims is over 99.75 per cent accurate;
 - g. IPSA's own staff have an engagement score of over 60 per cent.
14. Our data show that MPs' compliance with the rules of the Scheme is high. Only 0.2 per cent of claims are outside the Scheme. Most ineligible claims resulted from an inadvertent error by MPs or their staff rather than from any intentional misuse of the system.
15. We provide good administrative service to MPs. We consistently reimburse MPs' claims in an average of 5.95 days. Our payroll has been over 99.83 per cent accurate and we respond to over 85 per cent of the 54,500 letters and emails that we receive each year within five working days of receipt.
16. Since IPSA's creation in 2010, we have published, on an annual and bi-monthly basis, all claims for business costs and expenses made by MPs in support of their Parliamentary functions. This helps to assure the public that MPs' expenditure is well regulated. In 2017-18, we published around 162,701 claims with 100 per cent accuracy.

Our Priorities for 2019-20

17. We have five overarching priorities for 2019-20. These will guide our activities and help us to achieve our strategic objectives for this Parliament (as detailed in IPSA's Strategy for 2018-22).
18. In 2019-20 our focus will be on consolidating the major improvements made to IPSA's systems and processes since 2015, realising the benefits for MPs and the taxpayers. In 2019-20, we will build on these foundations to become the world-class, efficient and effective regulator that we aim to be. In particular, in 2019-20 our objectives will be to:
 - a) Maintain a strong regulatory environment that enables high compliance by MPs
 - b) Embed the IPSA Online improvements and begin to realise its benefits
 - c) Develop our processes, tools and skills to become a more innovative and datadriven regulator
 - d) Increase our public engagement to provide assurance and build understanding of our role
 - e) Implement an effective people management strategy

Maintain a strong regulatory environment

19. We will continue to review IPSA's policies, rules and processes so that they are clear, provide the necessary assurance about MPs' costs, and enable MPs to comply with the Scheme.
20. We will complete a review of how MPs' use their staffing budget to ensure that the Scheme continues to regulate MPs effectively and that MPs are appropriately supported in carrying out their Parliamentary functions. This includes seeking evidence from MPs and their staff on how they work and the financial pressures they face.
21. We will pilot a simpler approach to funding MPs' constituency mileage costs, so that we can be sure our regulatory approach is responsive and cost-effective.
22. We will build on a conference of international Parliamentary regulators in March 2019 to establish strong links with bodies that pay elected representatives across the world and ensure that IPSA complies with all aspects of the UK's regulators' code.
23. We will ensure that IPSA is prepared to respond to external events which may impact on how we regulate MPs' business costs, such as the impact of Brexit or an unexpected General Election, and any changes to Parliamentary constituency boundaries.

Embed the IPSA Online improvements and begin to realise its benefits

24. Our priority for 2019-20 will be to embed IPSA Online, our new integrated finance, payroll, HR and expenses system for MPs. This will include addressing any teething issues following its implementation, and then ensuring that we benefit from the new system to improve services to MPs, extend the opportunities for self-service and improve our own efficiency. We will train MPs and their staff in the new system throughout the year.
25. We will establish a co-ordinated programme of continuous improvement. In doing this, we will learn from bodies in the public and private sector with similar functions so that we can provide effective support to MPs and their staff.
26. We will continue to work with the House of Commons to identify ways to improve our joint working and support to MPs, particularly during future general elections. We will also work with the House and the police to ensure that MPs have the security arrangements they need to keep them and their staff safe, and we will provide appropriate funding quickly.

Develop our tools, process and skills to become data driven

27. We will implement our new IT strategy to provide a modern desktop experience, moving IT services to the cloud and building an in-house capacity to provide better value for money.
28. We will continue to assess and, where necessary, improve the way we store and manage personal data securely, ensuring that we remain compliant with our obligations under Data Protection legislation. We will review our data protection policies and procedures annually to incorporate changes to legislation.
29. We will work towards accreditation to the ISO27001 data security standard. In so doing, we will introduce and implement an organisation-wide Information Security Management System, which will further strengthen our cyber and information security standards throughout the organisation.
30. We will use this foundation to become a more data-driven regulator that uses our data to improve performance and drive innovation, to regulate faster and more intelligently and to assure the public through accessible data on MPs' spending and compliance rates.

31. We will produce a data strategy to describe how we will use data analysis tools to review our approach to validation and assurance to ensure high compliance by MPs and become a more efficient regulator. The tools will also help us to understand and present data on MPs' spending in a way that is more visually accessible and helpful. By making better use of the data we hold we will better understand how MPs spend their budgets in order to make the Scheme more effective.
32. In 2019-20, we will also build the foundations for a full knowledge management strategy.

Increase public engagement and understanding

33. We assure the public that MPs' use of taxpayers' money is well regulated by being transparent about the public money that MPs' have claimed from us to support their Parliamentary functions. We publish every claim on our website every two months, and in our annual publication of MPs' business costs each autumn. We will continue to demonstrate our commitment to transparency in this way, whilst protecting personal or sensitive information that is exempt from publication, such as the funding we provide for security measures for MPs and funding for disability assistance.
34. In 2019, we will publish IPSA's third annual review of assurance. This will report on our activity in 2018-19 to ensure that claims for MPs' business costs were evidenced appropriately and compliant with our rules. This activity will include how we validate and check claims individually before and after payment, and how we examine specific categories of MPs' expenditure to provide further assurance that their expenditure is compliant with the rules. Our report will include assurance work conducted on subletting by MPs of their constituency offices and on claims made for professional services.
35. We will increase our engagement with the public, using digital channels to reach a wider audience and provide accessible information about MPs' costs and expenses and IPSA's role in enabling high compliance. We will make IPSA's website more public facing and we will respond more proactively to media reporting we wish to provide commentary on issues relating to IPSA's area of expertise in order to build public understanding of IPSA's role as a Parliamentary spending watchdog particularly as we reach the 10-year anniversary of our establishment in 2010.

Implement a people management strategy

36. We want IPSA to be an outstanding employer by supporting our staff to reach their potential and achieve excellence. We will do this by investing in the development of our

team, enabling them to enhance their skills and perform to the highest standards. In 2018-19 we reviewed staff job descriptions and working practices. In 2019-20 we will conduct an annual learning and development review to ensure that staff and managers continue to consider staff development needs. We will introduce professional standards qualifications in each team.

37. We will train our managers so that they set high quality, meaningful objectives for their staff and these can be monitored by better use of our existing systems. We will also reward staff for achieving their objectives and for demonstrating that they are living IPSA's values of professionalism, respect, integrity, collaboration and improvement.
38. By meeting these objectives we aim to achieve Investors in People in 2019-20.
39. We will continue to ensure that we provide value for money by monitoring our headcount and costs and ensuring that we work within our budgets.
40. We will ensure that our move to new offices in 85 The Strand is successful and use as an opportunity to develop better, more collaborative working between teams

Governance and Accountability

41. IPSA is an independent regulator, established under the Parliamentary Standards Act 2009 to pay MPs' salaries, and to develop a Scheme to pay MPs' business costs and expenses. The Constitutional Reform and Governance Act 2010 provided for the appointment of a Compliance Officer to investigate if an MP may have been wrongly paid an amount under IPSA's scheme, and gave IPSA additional responsibilities to determine MPs' salaries and pensions.

IPSA's Board

42. The Parliamentary Standards Act 2009 stipulates the constitution of IPSA's Board. The Chair and Board members were appointed following an open recruitment process, conducted by an independent panel. The Board comprises:

- Ruth Evans (chair)
- Will Lifford (auditor)
- Richard Lloyd
- Sir Robert Owen (former holder of high judicial office)
- Rt. Hon Jennifer Willott (former Member of Parliament)

43. IPSA's Board is responsible for deciding the policies that form the Scheme governing MPs' costs, expenses, pay and pensions and for setting IPSA's strategic direction. The Board meets eight times a year. Minutes of Board meetings are published on IPSA's website.

IPSA's Executive

44. IPSA's executive is led by Marcial Boo, chief executive, who provides day-to-day leadership and is responsible for delivery in line with the policy set by the Board. He is IPSA's Accounting Officer. He is supported by three directors and a senior management team. The directors are Victoria Fox, director of regulation and insight, Georgia Wilson, director of improvement and MP support services, and Alastair Bridges, director of finance and corporate services.

Accountability to Parliament

45. The Speaker's Committee for the IPSA reviews IPSA's annual Estimate of the resources it needs, ensuring that it is consistent with the efficient and cost-effective discharge of IPSA's functions. The Estimate is then laid before the House by the Speaker.

The Speaker's Committee has the following membership:

- Rt. Hon John Bercow MP (Speaker and Chairman of the Committee)
- Rt. Hon Andrea Leadsom MP (Leader of the House) ex officio
- Kate Green MP (Chairman of the Standards Committee) ex officio
- Valerie Vaz MP (Labour)
- Chris Bryant MP (Labour)
- Rt. Hon Dame Cheryl Gillan MP (Conservative)
- Charles Walker OBE MP (Conservative)
- Kirsty Blackman MP (SNP)
- Bronwen Curtis CBE (lay member)
- Shrinivas Honap (lay member)
- [Further lay member to be appointed]

Charles Walker MP responds on behalf of IPSA to questions in the House of Commons on matters relating to IPSA's work.

Compliance

46. IPSA's Board, while respecting the independence of the Compliance Officer, Tracy Hawkings, also exercises its statutory duty of superintendence in relation to operating procedures and the resources required by the office.
47. The Board receives regular reports from the Compliance Officer and reviews her performance by reference to agreed performance indicators and in the light of considerations of value for money, proportionality and the deterrence of improper behaviour.

Financial Management

48. IPSA is independent of Parliament and Government. It is funded from the Consolidated Fund through the process of Parliamentary Supply. IPSA's Estimate is scrutinised by the Speaker's Committee for the IPSA to ensure that it is consistent with the efficient and cost-effective discharge of IPSA's functions. Our Annual Report and Accounts can be found on our website.
49. The Chief Executive is the Accounting Officer and is responsible for the propriety and regularity of IPSA's finances. Monthly financial reports on expenditure are discussed by IPSA's Board and the senior executive.
50. IPSA's Audit and Risk Assurance Committee is supported by a head of internal audit and meets quarterly. The committee offers advice to the Chief Executive, in his role as Accounting Officer, on the strategic processes for risk, control and governance, IPSA's accounting policies (including the approval of the Annual Report and Accounts), the activity and the results of both internal and external audit (the National Audit Office), and IPSA's anti-fraud and whistle-blowing policies. IPSA will continue to implement rigorous standards of financial control.
51. IPSA will continue to demonstrate good value for money during 2019-20 as we realise quantitative and qualitative benefits from the IPSA Online improvement programme.
52. In 2018-19, we received a budget of £187.12m (under Subhead A of our Estimate) to cover MPs' salaries, staff, accommodation and other business costs. In 2019-20, we propose a budget for Subhead A of £190.33m. This figure incorporates a 2.7 per cent pay rise for MPs, in line with Office for National Statistics figures on the average change in public sector earnings. It also allows MPs to provide for a 1.5 per cent cost of living pay award to all staff salaries, should they choose.

53. In 2018-19, we received £7.95m for IPSA's core administrative costs (under Subhead B of our Estimate). For 2019-20, we propose a resource budget for administrative costs of £8.89.

54. Overall, IPSA is proposing an Estimate to Parliament of £199.72m for 2019-20. This will enable us to meet our objectives and deliver the value for money improvements described in this corporate plan.