

**Minutes of a meeting of IPSA's Board**

**25 September 2024**

**Board Members:** Richard Lloyd OBE (Chair)  
Will Lifford  
Lea Paterson CBE  
Helen Jones  
Dame Laura Cox  
John Midgley, Boardroom Apprentice

**See Annex for record of attendees.**

**Status:** Submitted for approval at the meeting of the Board on 23 October 2024

**1. Welcome and Declarations of Interest**

- 1.1 The Chair welcomed the Compliance Officer and the Head of Strategic Communications to their first Board meeting.
- 1.2 No new declarations of interest were made.

**2. Minutes and Actions**

- 2.1 The minutes of the Board meeting of 22 May were approved, subject to two minor amendments.
- 2.2 The Board noted the completed and outstanding actions. The Compliance Officer confirmed that all Memorandums of Understanding (MoU) had been updated and signed apart from the MoU with the Parliamentary Commissioner for Standards; it was confirmed that ARAC had asked IPSA's executive team to report back to them on discussions with HMRC concerning taxable

expenditure; and the Head of Policy confirmed that a legal opinion had been sought in relation to equality and fairness impacts of proposed amendments to the MPs' Pension Scheme, with an update to be provided to the Board at the October meeting.

- 2.3 The Chief Executive reported that the Chairs of all extant pooled staffing services had been written to regarding proposed changes to how IPSA allowed for the registration and funding of pooled service providers. They had until 31 October to respond with comments. The Chair confirmed this action should remain open until the review process was completed.

### **3. The Revised Plan**

- 3.1 The Director, MP Services, Strategy and Change presented the revised Improving IPSA Programme (IIP) plan, noting that due to IPSA's continued focus on General Election-related activity some projects had been paused and their target completion dates reassessed. Two projects had progressed through the General Election period – the constituency office proof of concept (PoC) had expanded from fourteen to sixty-eight instructions since polling day; and the first sprint relating to the development of an IPSA Online front-end portal had now been completed, with IPSA recording high engagement from both new and experienced Office Managers. Stakeholder engagement, strategic communications, and the People Strategy had all progressed in line with expectations.
- 3.2 The Board asked for confirmation of when the contract with the supplier providing the service for the constituency office PoC would conclude and when an assessment would be made of work completed. The Director, MP Services, Strategy and Change confirmed the contract had been extended until November to ensure there was enough data to assess. The Director noted that participation in the PoC had been by invitation and that regional and demographic variation had been built in to test the proposition.
- 3.3 The Board noted that when work resumed in relation to validation evidence requirements, consideration needed to be given to the implications of a move away from the pre-authorisation of claims. IPSA would need to communicate with MPs consistent guidance on the process.
- 3.4 The Board cautioned that in revising the plan, it would be essential not to row back on commitments made to Parliament. The Director, MP Services, Strategy and Change confirmed that firm commitments had mainly been made in relation to the constituency office PoC, the IPSA Online front-end portal, and the implementation of principles-based regulation. These were the projects that had been prioritised, but IPSA had also stated in its 2024-25 Business Plan that delays could occur as a result of General Election-related activity, particularly given the high turnover of MPs.

3.5 The Board highlighted the commitment in relation to a recommendation made by the Speaker's Conference that any IPSA Online portal development would be carried out in collaboration with MPs. The Director, MP Services, Strategy, and Change confirmed that engagement in the early stages of development had mainly been with Office Managers, as it was difficult to get MPs to commit to putting the requisite time aside to work on such a project. MPs would, however, be engaged with in the next stages of development. The Board were concerned to ensure that lessons had been learned from the negative results of not having effectively consulted with MPs before the roll-out of IPSA Online.

#### **4. Improving Customer Service Report**

4.1 The Head of MP Services presented an Improving Customer Service Report focused on IPSA's General Election work, noting work in relation to departing, new, and returned Members in turn. With regard to departing MPs, it was highlighted that IPSA in collaboration with the House had delivered a sensitive and professional Departing Members' Area, and all new Members had been met at the New Members' Reception area. The executive was exploring ways to promote better attendance at induction sessions; and work was ongoing to ensure better understanding of IPSA's evidence requirements. It was reported that over 90% of new MPs now had staff registered, 73% had nominated proxies, and 35% had so far registered constituency office premises. Finally, in relation to returned MPs, it was noted that inbound call volumes remained high with an average of 130 calls per day but that the team had been able to meet its SLA on phone call answering times on all but two days over the election period; a presence had been maintained at the Information Hub in Portcullis House since polling day; and 636 out of 650 Campaigning Declaration Forms had now been received.

4.2 The Head of MP Services concluded by highlighting learning points from the General Election.

4.3 The Board received the report with thanks and requested that a thorough deep-dive and lessons learned report be presented once General Election work had been completed.

#### **5. MP Staff Representatives Board Engagement**

5.1 The Board welcomed MPs' staff representatives from GMB, the Members' and Peers' Staff Association (MAPSA), Unite, and the Wellness Working Group (WWG), inviting them to outline any current concerns and to contribute towards the Board's thinking on budgets and pay for 2025-26.

5.2 The MPs' staff representatives wanted to see progress made in relation to the recognition of previous service and there was concern expressed over the perceived increase in the use of fixed-term contracts, which were seen as a poor substitute for the security of a permanent contract in which a staff member would still be held to the terms of a six-month probationary

period. IPSA was asked to make sure it sent out clear communications to new MPs explaining the automatic pay increase for MPs' staff and it was also asked that data be gathered on the extent to which new MPs were using their Office Costs start-up supplement to ensure that constituency offices were properly furnished.

- 5.3 Representatives from the WWG asked IPSA to consider ringfencing the funding provided for training, health and wellbeing, which currently featured as a portion of the Staffing Budget. Concern was expressed that some MPs used this funding to hire more staff rather than utilising it for the purposes of staff health and wellbeing. The Board confirmed that this was in the forward plan and would be considered.
- 5.4 On a number of issues under the purview of the House of Commons, IPSA was asked if it could advocate on behalf of MPs' staff. Firstly, concern was expressed that MPs' staff were being faced with traumatic cases, such as suicidal calls, without having had the training to handle them appropriately – it was asked if such training could be made mandatory. Secondly, inconsistencies were highlighted in MPs' approach to security – MPs' staff representatives argued for all staff to be issued with lone worker devices and for staff to be given the option to work from home where possible. Finally, it was asked if IPSA could help to facilitate dialogue with the House on the findings of a recent WWG report into the security of MPs' staff.
- 5.5 The Director, MP Services, Strategy and Change asked that MPs' staff representatives promoted engagement with IPSA through its communications and training and induction sessions amongst their members.
- 5.6 The Chair committed to arranging a further engagement session with MPs' staff representatives ahead of 2025-26 budgets being presented to Parliament.

## **6. Scheme Consultation**

- 6.1 The Director, Policy and Engagement presented the Scheme Consultation document, noting that proposals had been discussed by the Board prior to the General Election.
- 6.2 The Board discussed the dual focus of the consultation document and the possibility that some areas of consideration were better dealt with elsewhere. It was agreed that more thought needed to be put into the extent to which early changes in the direction of a principles-based regulatory model should feature. Furthermore, though the Board recognised the need for some prescriptive rule changes, there was a need to be careful in ensuring a balance between red lines contained within the Scheme and permissive provisions contained in guidance or processes.

- 6.3 The Board was anxious to ensure proportionality throughout the proposals, noting that these should not be presented as being all of the same importance or urgency in relation to perceived risk.
- 6.4 The Chair decided that a sub-group of the Board would be convened at the earliest opportunity to consider these issues further, with delegated authority to ensure that a revised consultation could go ahead in time for Scheme changes to be agreed on ahead of 2025-26.

## **7. MP Remuneration Review**

- 7.1 The Director, Policy and Engagement presented a report on the review of MP remuneration which summarised the conclusions drawn from an earlier Board briefing session.
- 7.2 The Director, Policy and Engagement outlined plans to convene a series of roundtable discussions in the new year, inclusive of subject matter experts and members of the public, to discuss themes relating to the funding of Parliament. This would be a controlled environment in which to test some of the working assumptions and help to inform the MP pay determination. A series of essays had been commissioned from experts to help inform discussions in a 'Green paper' and it was confirmed that a group of former MPs would also be consulted in relation to the themes drawn out in the Paper. The Board were keen to ensure that broad representation from a range of communities was achieved in relation to the roundtable discussions. The Director confirmed that the Green Paper would come back to the Board for further discussion.
- 7.3 The Head of Strategic Communications provided a verbal update on the external communications strategy. The overall approach was summarised as supporting open and transparent communications, and seeking to promote IPSA's work. The Head of Strategic Communications went on to discuss the communications strategy in relation to the Scheme consultation, annual publication, and the Green Paper in turn. Greater efforts would be made to engage with local news outlets; social media resources would be developed to better explain IPSA's role; and the use of op-eds, podcast features, and pooled interviews would be considered where appropriate. The Board welcomed the approach outlined, recognising that being more proactive with its communications would involve greater risk-taking, but that the prospective benefits of such work justified this.

## **8. Compliance Officer's Quarterly Report**

- 8.1 Firstly, the Compliance Officer presented the 2023-24 Quarter Four report, which preceded his incumbency. It was confirmed that the investigation into an MP's use of IPSA-funded equipment and office space had been concluded and a repayment order made. The majority of complaints received in this quarter had related to the use of House of Commons stationery, falling outside of the Compliance Officer's remit. The Board discussed how members of the

public could be better signposted to the correct person to raise a complaint with, and it was acknowledged that one of the recommendations of the recent Committee on Standards inquiry into the House of Commons standards landscape had been for the House to create a central complaints portal. The Compliance Officer confirmed that they were in dialogue with colleagues at the House.

- 8.2 The Compliance Officer presented the 2024-25 Quarter One report, highlighting an update to the assessment of two complaints relating to the use of bought-in services which had now been concluded finding no evidence of a contravention of Scheme rules. There was also an ongoing assessment into a complaint relating to a staff member working for four MPs.
- 8.3 The Compliance Officer updated the Board in relation to the two ongoing police investigations, both of which had now started to progress since an improved line of communication had been established with the relevant police services. A further matter had been referred to the police in relation to a former MP's alleged misuse of an IPSA-funded reward and recognition payment. The Chief Executive recorded his thanks to the Compliance Officer for managing to make such progress with the two ongoing police investigations in a relatively short space of time.

## **9. Report from the Audit, Risk, and Assurance Committee**

- 9.1 The Chair of ARAC presented a verbal report in relation to the meeting of 26 June. The committee had received a number of internal audit reports from its internal audit partner. In a review of performance and financial management IPSA had been accredited with 'substantial assurance', on business costs 'reasonable assurance', and on employment and payroll taxes 'partial assurance'. On the latter, the executive team had been asked to obtain written instruction from HMRC in relation to the taxable status of winding-up and loss-of-office payments and the treatment of taxable benefits. The 2023-24 annual internal audit report recorded the opinion that IPSA had an 'adequate and effective control environment'. The committee were also presented with an assurance report on value for money which established that IPSA had 'limited assurance' in relation to performance and financial management and 'moderate assurance' in relation to the IIP. It was further noted that as of the 2024-25 financial year, IPSA's assurance team would be taking on the functions of internal audit.
- 9.2 The Director, Finance confirmed that written guidance had been obtained from HMRC in relation to the taxable status of winding-up and loss-of-office payments, and that IPSA's position on these had been confirmed as correct.

## **10. Chief Executive's Report**

- 10.1 The Chief Executive presented their report to the Board, noting that its focus was predominantly on General Election work. The Chief Executive confirmed that the executive was now confident that annual publication could take place according to the normal timeline.

- 10.2 The Board asked for further detail in relation to IPSA's appeal against the ICO decision notice and the three minor data incidents recorded. The Director, Policy and Engagement confirmed that the ICO decision notice was regarding a section 36 opinion. IPSA had appealed this decision to the first-tier tribunal from whom a response was awaited. The Director, Policy and Engagement and the Data Protection Officer had run sessions with IPSA people on data protection, and it was reassuring that people felt confident to report such incidents.
- 10.3 The Board asked that a progress update on the implementation of a financial planning and analysis tool be presented to the Board at an upcoming meeting.
- 10.4 The Chair updated the Board in relation to a Chair's Action in selecting a new default investment scheme for the MPs' staff pension scheme on the basis of advice provided by the trustees. The Director, Policy and Engagement confirmed that communications had been sent out to all pension scheme members in relation to this.

## **11. Finance Report**

- 11.1 The Director, Finance presented the Board with the Finance Report covering the management accounts to the end of August 2024. It was highlighted that some costs accounted for would need to be moved to Subhead C, given IPSA's requirement for a supplementary estimate to be raised in relation to General Election costs and costs relating to the McCloud redress scheme. Costs relating to the former were already in the process of being moved across, with c.£18 million accounted for to date. It was estimated that a total of c.£34 million would be added to Subhead C with respect to General Election costs, which would be in line with the estimated costs presented to SCIPSA. Around half of these costs were winding-up and loss-of-office payments and c.£30,000 related to double running costs. Regarding McCloud redress scheme costs, the Government Actuary Department had produced an estimate. As it was not possible to estimate a lower figure with any degree of accuracy, IPSA would present this figure in its supplementary estimate and return any surplus funds to HM Treasury. The Director, Finance confirmed that it was unlikely IPSA would overspend either Subhead A or Subhead B budgets. The Board received the report with thanks.

## **12. Board Programme of Work, Reflections, and Any Other Business**

- 12.1 The Chair confirmed that the Board meeting of 23 October would be hybrid and due to a number of important decisions to be made, extended.

## **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

Matt Walker, Compliance Officer

Chief of Staff

Head of Policy

Head of Strategic Communications

MPs' Staff Representatives (Item 5)

Remuneration Policy Specialist (Items 5 - 7)

Stakeholder Engagement Lead (Items 5 - 7)

Policy Manager (Item 6)

Communications and Engagement Manager (Item 6)

Head of MP Services (Item 4)