

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

**20 March 2024**

**Board Members:** Richard Lloyd OBE (Chair)  
Will Lifford  
Lea Paterson CBE  
Helen Jones (absent for Item 3)  
John Midgley, Boardroom Apprentice

**In attendance:** Ian Todd, Chief Executive  
Lee Bridges, Director, Policy and Engagement  
Karen Walker, Director, MP Services, Strategy and Change  
Thomas Fitch, Director, Finance  
Jonathon Blair-Tidewell, Compliance Officer (Item 9)  
Chief of Staff  
Head of MP Services (Item 8)  
Communications and Engagement Manager (Item 4)  
Policy Manager (Items 6 and 7)  
Remuneration Policy Specialist (Items 3, 6, and 7)  
Policy Specialist (Items 6 and 7)  
Policy Specialist (Items 6 and 7)

**Apologies:** Dame Laura Cox

**Status:** Submitted for approval at the meeting of the Board on 22 May 2024

## **1. Welcome and Declarations of Interest**

- 1.1 The Chair invited attendees to declare any interests not previously recorded. No new declarations of interest were noted.

## **2. Minutes and Actions**

- 2.1 The minutes of the Board meeting of 24 January and those of the Board Sub-Group meeting of 28 February were approved.

- 2.2 The Chair noted the outstanding actions, receiving confirmation from the Director, Finance, that work on the financial planning and analysis tool had progressed and that the frequency and content of Finance papers tabled to the Board would be discussed with the Chair of ARAC. The Chief Executive confirmed that Memorandums of Understanding between the Compliance Officer and other bodies had been sent out to relevant parties for review and so were in the process of being signed off. The Director, Policy and Engagement noted that discussions had been had with the Electoral Commission on the subject of joint communications being issued to MPs ahead of a General Election and that a letter would be sent out in the summer ahead of the Electoral Commission's 'long campaign' commencing. It was agreed that options on debt prevention would remain on the Board Programme of Work to be considered at the meeting of 17 July.

## **3. McCloud Sub-Group Recommendations**

- 3.1 The Board formally agreed to the recommendations made in relation to IPSA's response to the McCloud judgment by the sub-group that had deliberated on this matter on 28 February. It was noted that although most decisions had now been made by IPSA and responsibility would largely pass to the PCPF trustees, it was important that the Board continued to be updated on any developments. The three-way exchange of letters with HM Treasury and the PCPF trustees on the redress payments process was noted as being of particular significance and the Director, Policy and Engagement confirmed that this would be formally requested at the time of IPSA communicating its response to the feedback received from the McCloud consultation to the PCPF.

## **4. IPSA Communications Strategy**

- 4.1 The Communications and Engagement Manager summarised the content of IPSA's proposed External Communications Strategy, noting that this covered the first year of the Corporate Plan 2024-27 and contained a strong focus on the Supporting Trust in Democracy strategic objective. The strategy set out the principles, ways of working, and service expectations for the Communications team, and covered all aspects of the communications function, including press, stakeholder engagement, website content, and social media.

- 4.2 The Board welcomed the External Communications Strategy as representing a positive step towards IPSA being seen as an organisation that had the confidence to be louder and clearer in its communications. It was noted that more work needed to be done to broaden the definition of IPSA's stakeholder groups, with a focus on engaging with intermediate influencers, such as thinktanks and podcasts, in the dissemination of messaging. In building necessary capabilities, the Board also considered whether establishing a network of external advisors to provide expertise on matters such as crisis management and digital communications could be beneficial.
- 4.3 The Board asked that sections be added to the messaging manual covering the rationale behind why MPs are paid at the current level and an emphasis on the high levels of compliance with IPSA's Scheme.
- 4.4 The Chair asked that greater consideration be given to how IPSA could further change the terminology deployed in moving towards describing its work in more neutral or positive language. It was noted that business and staffing costs are still often conflated and the use of words such as 'claims' could foster the false impression that MPs were gaining some material benefit through the funding of their parliamentary costs. The Director, Policy and Engagement confirmed that this could form part of the discussion around the review of IPSA's publication process that the Board would be discussing in April.
- 4.5 The Board recognised a number of key opportunities for IPSA to take full advantage of its new approach to external communications. These included the annual MP pay announcement; the confirmation of the methodology to be used in determining MPs' pay during the next parliament and the use of citizens' juries in informing this; and also given the fact that following a General Election a new administration may want to take action around ethics and standards in public life, IPSA was uniquely positioned to contribute to such discussions.
- 4.6 The Board approved the External Communications Strategy, recognising this to be an ambitious document. It was asked that an update on progress against the strategy be brought to the Board later in the year.

## **5. KPI Review**

- 5.1 The Director, MP Services, Strategy and Change presented on proposals for a revised KPI dashboard, noting that this followed on from recommendations made in the 2023 internal audit report on KPIs and feedback received from Board members. It was recommended that the number of measures reported on be reduced from 55 to 26, with eight of these being focused on the new strategic objective, Supporting Trust in Democracy, which required particular attention.
- 5.2 The Board approved the proposed revision of the KPI Dashboard for implementation in Board papers from May, recognising that the new approach gave the Board a higher-level overview of how the organisation was performing, enabling Board members to maintain

their focus on strategic concerns. It was noted that the indicator on staff absence had been removed, but that this would be tracked via the People Committee with any notable changes for inclusion in the Chief Executive's Report.

## **6. Survey Results Analysis**

- 6.1 The Director, Policy and Engagement highlighted the key findings contained within the Annual User Survey Report, noting that initial thoughts had been provided to the Board at the meeting of 24 January. It was noted that IPSA published the Annual User Survey Report each year and so consideration needed to be given to the timing and method of doing so.
- 6.2 The Board welcomed the overall progress recorded in respondents rating IPSA's service as good or very good (65.3%, up from 58.9%), but noted the year-on-year reduction in the number of MPs responding to the survey (38, down from 52) and the lower proportion of these responding positively (31.6%, down from 42.3%). Given the low number of responses and the perceived tendency for those wanting to register a complaint to be more likely to complete the survey, it was seen to be difficult to gauge how representative these results were. Both the Director, Policy and Engagement and the Director, MP Services, Strategy and Change recognised that the length and timing of the survey were likely to have contributed to the poor response rate. It was confirmed that a Stakeholder Engagement Lead would be joining IPSA in April and that they would be working on how IPSA could increase engagement with Members it had hitherto struggled to reach. Methods including shorter and more regular 'temperature checks', semi-structured interviews, and using the opportunity of speaking to the 1922 Committee and Parliamentary Labour Party to get a sense of general feeling, were all suggested as possible options in an effort to obtain a more qualitative understanding of views held across a broader range of MPs.
- 6.3 The Board approved the report as written and delegated decision-making on the summary content, timing, and method of its publication to the Director, Policy and Engagement.
- 6.4 The Director, MP Services, Strategy and Change highlighted the key findings of IPSA's Annual People Survey, noting that these had recently been reviewed in detail by the People Committee. The Director noted the year-on-year improvement across every category measured, recognising the way in which the People Strategy had helped to embed positive change. The lowest scoring area remained that concerning pay and benefits, but work was being done to enhance IPSA's employee value proposition. The Director stated that the key focus areas for the coming year would be on resilience and managing change given the increased need for these skills at a General Election and with regard to work surrounding such a significant change as IPSA's adoption of principles-based regulation.
- 6.5 The Board recorded its thanks to the entire IPSA team in helping to develop a working culture that lay behind such positive results and engagement levels. There was recognition that IPSA should not be complacent with respect to such scores, particularly given the anticipated pressures that would result from the General Election and IPSA's move towards principles-based regulation.

## **7. MP Staff Continuity of Service**

- 7.1 The Remuneration Policy Specialist presented a paper on MP staff continuity of service, providing an update on work completed thus far and to gauge the relative appetite of the Board for prospective further work. It was highlighted that were IPSA to institute a form of continuity of service for MP staff who move from working with one MP to working with another, this could only be done so via a contractual clause as under the terms of employment law they would be deemed to have changed employer. There were examples of similar contractual continuity of service provisions applied within the NHS and the civil service. The Remuneration Policy Specialist emphasised the need for engagement with both MPs and MP staff in the formulation of such proposals as there were seen to be both positive and negative implications to contractual continuity of service with respect to both employer and employee that it was possible had not been considered by many advocates for such proposals. These included continuity of written warnings and continued records of sickness. It was highlighted that were IPSA to pursue options relating to contractual continuity of MP staff any such provisions would not apply retrospectively.
- 7.2 The Board acknowledged a risk that instituting contractual continuity of service for MP staff could be seen by some MPs as an encroachment upon the employee/employer relationship. However, this could be mitigated by ensuring that sensitive engagement with MPs as employers was featured highly in the stakeholder engagement plan that would be created in support of this work. A further mitigation was through the proposal to frame such changes as strongly encouraged but optional on an opt-out basis similar to that used for the annual MP staff pay award. It was noted that when more detailed proposals were presented on this issue that the complexity and cost of running a service whereby contractual continuity of service applied to some MP staff but not all, would be risk assessed.
- 7.3 The Board recognised that it was likely that it would be a relatively low number of MP staff affected by changes in this area but that action by IPSA had the potential to have a positive signal effect, particularly around day one rights such as maternity leave entitlement. The Board, therefore, supported further work being done to present possible options around instituting continuity of service for MP staff, underpinned by a desire to promote value for money, good employment practices, and to recognise the value in the retention of expertise within the parliamentary system. The Director, Policy and Engagement agreed to come back to the Board in May with an options paper which included a stakeholder engagement plan.

## **8. General Election Planning Update**

- 8.1 The Head of MP Services provided an update on General Election planning, emphasising the key message that IPSA was ready for a General Election. Highlights included a significant reduction in MP debt in comparison with that carried into previous elections, IPSA's Dissolution Guidance had been published over a year ago, IPSA Live events had been running since February 2023, the post-payment validation process had been removed from the

winding-up process, and asset registers would be available on IPSA Online dashboards prior to a General Election taking place. The Head of MP Services stated that the focus was now on refining operational processes, and in ensuring that IPSA's people were prepared and trained for General Election work.

- 8.2 The Board welcomed the update, asking whether there had been any lessons learned from the rehearsals conducted so far. The Head of MP Services confirmed that the Departing Members' Area (DMA) rehearsal had highlighted a need for development of both the IPSA's and the House's winding-up scripts and to ensure that the content was more joined-up and focused on key messaging. It was noted that relations with the House were seen to be positive with joint meetings taking place every week across the different workstreams.
- 8.3 The Director, Policy and Engagement updated the Board on a matter raised at both the public SCIPSA session and a recent Administration Committee meeting concerning whether MPs who were standing down due to the adverse effects of constituency boundary changes should be entitled to a loss-of-office payment (LOOP). It was noted that the Board had discussed such matters a number of times over the past two years but had decided not to change Scheme rules. The Chief of Executive highlighted that no instances of MPs standing down due to boundary changes had been raised with IPSA and that opening up discretion on this matter could leave us open to challenge. Given that the number of constituencies following the Boundary Commission Review was to remain the same and that MPs had been able to compete in selection processes for successor seats or would be able to stand as an independent candidate, the Board did not feel there were grounds to change IPSA's rules and allow for standing-down MPs to claim an entitlement to LOOP were they to deem their decision to have been a result of constituency boundary changes. It was agreed that a letter would be written to the MP who had raised this matter, outlining the rationale and time taken by the Board on this decision.

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

- 9.1 The Compliance Officer first presented the Quarterly Report relating to Quarter 3, noting that there had been 14 separate cases reviewed during this period with most concerning issues that were commonly seen to be the subject of complaints – the use of House of Commons letterheaded paper and the use of constituency offices for non-parliamentary activities. However, there had also been a number of complaints raised in relation to MPs' IPSA-funded website content, which it was indicated could have implications as to how we review such claims. The Compliance Officer provided an update on two cases that had been referred to the police services; confirmed that he had launched a formal investigation into allegations made in relation to one MP; and noted that a complaint relating to a decision made by the Compliance Officer had been referred to the Chair to appoint a third-party reviewer, with this now being with a senior investigator in the Parliamentary Commissioner for Standards' office.
- 9.2 The Board were encouraged to see that the number of referrals to the Compliance Officer by IPSA staff members had increased, seeing this as a sign of confidence in the process. It was

noted that the two instances where IPSA had referred cases to the Compliance Officer both concerned bought-in services claims and that although the Compliance Officer did not find evidence of any breach of Scheme rules in either instance, these instances could help inform ongoing work on proposed changes to rules concerning bought-in services. The Compliance Officer confirmed that he would return to the Board in May to present a lessons learned report that would also make recommendations relating to the use of IPSA-funded imagery.

- 9.3 The Compliance Officer then presented the Compliance Dashboard, which was near completion, providing Board members with an overview of what it contained and how to navigate between tabs. The Compliance Officer suggested that work was being done to look at how a redacted version of the dashboard could ultimately be published. The Board welcomed the development of the dashboard.

## **10. Improving IPSA Assurance Group (IIAG) Quarterly Report**

- 10.1 The Chair of IIAG summarised the key items contained within the Committee's Quarterly Report. In the meeting of 28 February, IIAG had received an update on the findings and proposals that had come from the IPSA Online front-end discovery phase; a discussion was had on how principles-based regulation would be introduced; and an update was provided on progress made with the constituency office proof of concept. The Chair of IIAG noted that it had been agreed in the Standing Orders that a self-evaluation of IIAG should take place at this stage and confirmed that work on this would commence imminently.
- 10.2 The Board received the update with thanks, noting that further work on principles-based regulation would need to be presented to the Board once ready.

## **11. Report from the Audit and Risk Assurance Committee (ARAC)**

- 11.1 The Chair of ARAC presented a summary of the items covered in the Committee's most recent meeting, noting that the Supporting Trust in Democracy objective's risk had been added to the strategic risk register, a deep-dive on the Data Loss strategic risk showed that data management was under greater control than hitherto, and that internal audit reports on GDPR compliance and the General Ledger had both produced positive results. ARAC had also considered the findings of two Assurance Reports – one concerning a targeted review of HOST suppliers and one focused on three of the smaller pooled staffing services funded by IPSA. The Committee was concerned by a number of findings contained within the latter report.
- 11.2 It was agreed that whilst pooled services should be subject to a fuller review, it was better to focus on short-term changes ahead of a General Election, with rules being outlined on regularity of payments, the need to ring-fence funding within a given financial year, and the possibility of restrictions on the registration of new suppliers ahead of a full review taking place. Decision-making on such changes was delegated to the executive leadership team (ELT) with this communicated via letters to the Chairs of pooled service providers.

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

- 12.1 The Chief Executive summarised the contents of his report to the Board, noting that since the last meeting IPSA had attended the public SCIPSA session, a hearing of the Administration Committee, and a meeting of the 1922 Committee, with a positive reception at each. Further to this, determinations on MP and MPs' staff pay had been published; and the upgrade of IPSA Online had been delivered successfully and on time.
- 12.2 The Chief Executive noted that IPSA was to be subject to a HMRC audit in April in relation to taxable business costs. Issues around how IPSA would seek to apply such rules whilst operating a reimbursement model would need to be discussed and, when communicated, it would be necessary to make clear that any changes were due to HMRC requirements.
- 12.3 The Director, MP Services, Strategy and Change presented the KPI Dashboard, noting that in spite of increased activity surrounding year-end, 87% of calls were being answered within 20 seconds and 89.6% of emails were responded to within five days. IPSA was seen to be recording its lowest ever time taken to reimburse claims at 2.2 days and tenure was increasing, with no staff leavers recorded in January. The Board welcomed the positive set of metrics and asked for confirmation of when data would be available on the transaction error rate. The Director, MP Services, Strategy and Change confirmed that an error classification had been created and progress was being made.
- 12.4 The Director, MP Services, Strategy and Change presented an update on the Transformation Programme. At present, 16 MPs were progressing with the constituency office proof of concept, 7 of whom had been motivated to move office as a result of impending boundary changes. On principles-based regulation, red lines had been drafted and a new evidence requirements document embodying a more principles-based approach was set to be published on 1 April. An update was provided on work in relation to IPSA Online front-end development. Finally, the Director updated the Board on alternative reimbursement, stating that the first phase of this work would concern the introduction of a tiered mileage allowance for MPs, with tiers informed by the data. The intention was to first roll out this change to MPs already enrolled on the constituency mileage pilot, with the prospect of rolling it out more widely following a General Election.

## **13. Financial Report and Management Accounts**

- 13.1 The Director, Finance presented the Financial Report and Management Accounts relating to January 2024 and was able to verbally update the Board on the February 2024 accounts that had now been produced. The Chief Executive attested to the fact that one of the risks of increasing the accuracy of IPSA's financial planning was that there was less room for flexibility when unforeseen costs were incurred. The Board noted the report and the improved performance against budgets.



#### **14. Board Governance**

- 14.1 The Chief of Staff presented a review of Board-specific policies and codes, recommending a number of amendments, including that updates to the published Board Register of Interests be conducted biannually, that publication of the Gifts and Hospitality Register be reinstated at the same frequency with instances of nothing to declare being explicitly reflected, and that statements in the Standing Orders concerning the matter of confidentiality be strengthened to include Board decisions where confidentiality prior to an official announcement had been specified by the Chair. The recommendations were approved, with the Board also requesting that the Board's quorum be updated to reflect the fact there was no longer a vacancy and that specific names be removed from the documents so as to future-proof their use.
- 14.2 The Chief of Staff provided an update on progress made against recommendations made by the 2023 Board Governance Review, noting that this included completion of a Board Skills Audit, IPSA's enrolment on the Boardroom Apprenticeship Programme, and the institution of a formal review process for Board policies, codes, and the Good Governance Grid. There was brief discussion concerning a number of recommendations where progress was more difficult to measure. It was suggested that attendees to the Board could be surveyed to ensure they felt that interactions had been constructive, positives praised, and success celebrated.

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

- 15.1 The Board reviewed its Programme of Work noting that this could be subject to change particularly in relation to when a General Election was called. It was noted that the Speaker should be invited to a Board meeting after a General Election had taken place with the suggestion that such a meeting could take place on the parliamentary estate to help facilitate this.
- 15.2 The Chair noted that the Head of Finance would soon be leaving IPSA after many years of good service. The Board recorded its thanks to the Head of Finance.
- 15.3 Given the significant ongoing work concerning the Improving IPSA Programme, it was agreed that an additional IAG meeting would be scheduled for May.