

Minutes of the IPSA Board Meeting – Tuesday 17 May 2011: 2.30pm – 5.30pm

- Present:**
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| Sir Ian Kennedy | Scott Woolveridge (Acting Chief Executive) |
| Sir Scott Baker | Bob Evans (Director of Finance) |
| Isobel Sharp | John Sills (Director of Policy) |
| Jackie Ballard | Anne Power (Director of Communications) |
| Ken Olisa | Martyn Taylor (Head of Governance) |
| | Victoria Elliott (Change Manager) |
- Linda Hews (Head of Assurance and Review) – [item 4]
- Nick Lee (Board and Chief Executive Office)
Kiran Virdee (Board and Chief Executive Office)
- Apologies:** Andrew McDonald (Chief Executive)
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1. Welcome

- 1.1. The Chair welcomed the Board and members of the Executive.

2. Minutes and matters arising

Papers: IPSA/170511/1A- 1C: Minutes; Ongoing Actions

- 2.1. The minutes of the 19 April Board meeting were approved for publication, subject to minor amendments.
- 2.2. The Board requested a report at the next meeting (21 June) on the work currently underway on simplifying payment card reconciliations and mileage claims and on direct payments.
- 2.3. The Board noted that the papers on the Board's position on transparency would now be presented at the June Board meeting.
- 2.4. Nick Lee reported on the recent public meeting of the Speaker's Committee for the IPSA, where the Chair, the Acting Chief Executive and the Director of Finance had given evidence. He noted that the next meeting would take place on 15 June, in private, and that the Lay Members of the Speaker's Committee would be meeting the Board on 7 July.

- 2.5. The Board agreed that the Estimate already presented to the Committee represented value for money and considerable like-for-like savings against 2010/11.
- 2.6. The Board reiterated its position, set out at the previous Board meeting, that the portion of the Estimate focussed on the *MPs' Expenses Scheme* should be based on MPs claiming the maximum available, for the reasons set out in the minutes of the previous Board meeting.
- 2.7. The Board noted the comments made regarding IPSA's attention to value for money at the recent hearing of the Speaker's Committee, and expressed surprise, given its continuing commitment to cost effectiveness. The Board agreed that it would be interested to receive any specific concerns raised by the Lay Members.

3. Accounts and annual report

Papers: IPSA/170511/2 – Draft Annual Report and Accounts with Annex A

- 3.1. The Board considered and commented on the draft Chief Executive's report.
- 3.2. The Board agreed:
 - that the Statement of Internal Control should include a short, sharp and simple statement of IPSA's risk appetite;
 - that the Chief Executive's section of the report should make reference to diversity within IPSA's workforce;
 - that explicit reference should be made to the anticipated underspend in 2010/11; and
 - that the Chief Executive's section of the report should include a breakdown of IPSA's quantitative achievements over the preceding years.
- 3.3. The Board agreed to the sign-off arrangements set out in paper IPSA/170511/2, and that Jackie Ballard and Isobel Sharp should form a subcommittee of the Audit and Risk Committee for the purposes of signing off the Accounts and Annual Report on 29 June 2011, subject to agreement to the draft to be presented at the Audit and Risk Committee on 21 June.

4. Patterns of MPs' spending

Paper: IPSA/170511/3 + Annex A – MPs' expenses – Spending Review

- 4.1. The Head of Assurance and Review introduced a report on the ongoing internal assurance work taking place, and noted that this initial work had both provided valuable data and helped to define the scope for future work on assurance.
- 4.2. She noted that she would be meeting the senior leadership team to discuss the objectives of future work on assurance later.
- 4.3. The Board agreed that such work was important to enable the organisation to deploy its resources and workforce appropriately and cost effectively in the light of evidence as to the calls made by MPs on the service provided.

5. Planning for elections

Paper: IPSA/170511/4 – Election planning

- 5.1. The Change Manager introduced a paper setting out the work that was taking place to plan for the contingency of a general election, which had been drawn up at the request of the Audit and Risk Committee.
- 5.2. She further noted that a detailed plan was being developed and that this would be ready by July.
- 5.3. The Board asked that this work should include an agreed position on resettlement grants and an exploration of issues relating to continuity of employment for MPs' staff.
- 5.4. The Board asked for further details, including:
 - a more detailed breakdown of the work that would be provided;
 - a breakdown of how this work would be distinguished from 'business-as-usual' activities; and
 - a more detailed breakdown of the costs involved in this work.
- 5.5. It was agreed that any proposed cost associated with the use of consultants should be brought to the Audit and Risk Committee.

6. Staffing review – Board brainstorm

Paper: IPSA/170511/5 – Staffing review – Note of Board brainstorm

- 6.1. The Board noted the report of its recent discussion of MPs' staffing issues.
- 6.2. The Board asked that the further paper on MPs' staffing, which will be considered at the 21 June Board meeting, address questions relating to the definition of parliamentary functions so as to reduce the risk to IPSA and the taxpayer arising from lack of clarity between parliamentary and political activities.

7. Communications update

Paper: IPSA/170511/6 – Communications update

- 7.1. The Director of Communications noted the relatively low level of attendance at the preceding week's debate in the House of Commons.
- 7.2. The Director of Communications further reported on work to organise a series of seminars in conjunction with (and funded by) the Institute for Government, Oxford University and the Constitution Unit. The Board asked to be involved in the process as the seminar programme developed.
- 7.3. The Board asked the Director of Communications to carry out further work to enable IPSA to understand, articulate and demonstrate public attitudes to its work.

8. Finance Report

Paper: IPSA/170511/7 – Finance Report

8.1. The Director of Finance reported on the work to finalise the accounts for 2010/11. He noted that:

- the accounts included an estimate of outstanding claims for 2010/11, which had been prudently established at about £1m;
- there had been a late surge in claims arising from end-year claims submitted in May, reflecting the large number of public holidays in April;
- he expected an underspend of around £31.5m (21%) on the MPs' expenses budget;
- he expected IPSA's operational budget to come in on target.

9. Chief Executive's report and Board Update

Papers: IPSA/170511/8 – Chief Executive's Report; IPSA/170511/9 + annexes A – H – Board update

9.1. The acting Chief Executive reported on continued work to maintain IPSA's performance:

9.2. *Operational effectiveness:*

- In April we validated almost 97.40% of reimbursable claims within twelve working days, the majority of which are processed within seven working days. We are therefore meeting our KPI target.
- Taking all claims into account (including payment card claims which do not require reimbursements to be made to MPs), we are validating over 90% within twelve working days.
- In April we received around 680 calls a week from MPs and answered 48% of these within 20 seconds. This reflects higher call volumes and higher claims volumes around year end.
- We continue to receive around 370 emails a week, more than 89% of which are handled within five working days.
- Payroll accuracy in February stood at 99.88% - in line with previous months.
- The accuracy of claims submitted by MPs is high, with around 2.11% of claims not receiving reimbursement.

Payment cards

9.3. The Board noted that a small number of MPs had had their cards suspended because they had not reconciled their statements as requested.

Key performance indicators

- 9.4. The Board asked that further work be done to revise the RAG status of KPIs for April. It was noted that a revised set of KPIs would be presented to the Board meeting on 21 June.

Visits to Welsh Assembly and Scottish Parliament

- 9.5. The Board discussed forthcoming visits to the Welsh Assembly and to the Scottish Parliament. It asked that the executive carry out further research into the system for dealing with expenses used in the European Parliament.

Publication of year-end and aggregated data

- 9.6. The Board agreed that it would review examples of year-end data about individual MPs' expenditure at the meeting on 21 June.

10. Any other business

Political situation

- 10.1. The Board discussed the situation in the light of the recent decision by the House of Commons to re-establish the Members' Allowances Committee with a remit to report on the implementation of the Parliamentary Standards Act as amended by the Constitutional Reform and Governance Act 2010.
- 10.2. The Board noted that the Government had made it clear that the Committee had been asked to review the legislation, and that any recommendations as regards the *MPs' Expenses Scheme* would be directed to IPSA. The Board also noted the Government's continued commitment to the independent regulation of MPs' expenses.
- 10.3. The Board agreed that, regardless of the political context, the organisation should remain focussed on delivering a good service to MPs on behalf of the public.

Meeting closed

List of meetings declared by the IPSA Board members:

IPSA Board and Chief Executive: Meetings in April/May 2011

13 April – 10 May 2011

Attendee	Meeting
Scott Woolveridge and Ian Kennedy	SCIPSA Lay Members
Scott Woolveridge and Ian Kennedy	SCIPSA Public meeting
