

Minutes of a meeting of IPSA's Board

12 September 2023

Board Members: Richard Lloyd OBE (Chair)

Will Lifford

Lea Paterson CBE

Helen Jones

Dame Laura Cox

In attendance: Ian Todd, Chief Executive

Karen Walker, Director, MP Services, Strategy and Change

Lee Bridges, Director of Policy and Engagement

Chief of Staff

Head of Policy

Chair of the Members and Peers' Staff Association (MAPSA) (Item 4)

Chair of the Parliamentary Branch of GMB (Item 4)

Chair of the Parliamentary Branch of Unite (Item 4)

Representative of the Parliamentary Branch of Unite (Item 4)

Three Committee members of the Wellness Working Group (WWG) (Item 4)

Jonathon Blair-Tidewell, Compliance Officer for IPSA (Item 6)

Apologies: Thomas Fitch, Director of Finance

Status: Submitted for approval at the meeting of the Board on 18 October 2023

1. Welcome and Declarations of Interest

- 1.1 The Chair welcomed Dame Laura Cox to her first Board meeting and noted apologies from Thomas Fitch. He invited attendees to declare any interests not previously recorded. No such declarations were forthcoming.

2. Minutes and Actions

- 2.1 The minutes of the Board meeting of 28 June were approved with one amendment.

- 2.2 The Board noted the actions update, including decisions by the Executive to shorten the claim window in the winding-up period to 60 days and for Directors to sign off exceptional deductions from the loss-of-office payment upon the advice of the Head of MP Services. Briefing sessions would additionally be arranged for the Board to consider trends and data on remuneration ahead of the budget-setting process for 2024/25.

- 2.3 On wider actions, further discussions would be held with the Parliamentary Commissioner for Standards and the Compliance Officer for the IPSA on any revisions to Memorandums of Understanding between them and others. The Director of Policy and Engagement meanwhile would return to the Board in October with an update on policy and presentational amendments to IPSA's publication scheme. The Chair of the Audit and Risk Assurance Committee confirmed that the Finance team are exploring with him proposals for improved governance reports and that month-six accounts would be prepared ready for a mid-year review at the October Board. The Director of MP Services, Strategy and Change, also confirmed that the reporting cycle for the Improving IPSA Assurance Group (IIAG) was working well and provided a forward look to the agendas of 25 September on principles-based regulation, proofs of concept, and the front-end portal, and to 15 November with an update on these top three deliverables and a discussion of the SCIPSA process.

3. Approach to planning and budgeting for 2024/25 and SCIPSA commitments

- 3.1 The Director of MP Services, Strategy and Change introduced a draft business plan for 2024/25 ahead of discussion of IPSA's next Corporate Plan at the Strategy Day of 13 September. It focused on consolidating and extracting maximum value from the improvements made in pursuit of IPSA's strategic objectives. For the SCIPSA meeting of 8 November, IPSA would send a progress report with in-year KPIs, an outline of 2024/25 priorities, and the likely high-level budget approach. It was recommended that the plan be approved and final sign-off be delegated to the Chair.

- 3.2. The Board raised some specific questions as to the smarter reimbursement project, the aims and substance of IPSA's proposed communications strategy, and the implications of the boundary review. Whilst the former two would form part of the strategy session the following day or the IIAG meeting of 25 September, the Director of MP Services, Strategy and Change, confirmed that an internal planning group was assessing the implications of the boundary review across operations, policy, and finance. The Board additionally agreed to add staff training and people development in the context of change to the next meeting of the People Committee.
- 3.3 More generally, the Board noted the opportunity to conduct a positive retrospective on the delivery and improvements made under IPSA's Corporate Plan 2021-24, including projected and actual costs and benefits, as well as to respond collaboratively to the recommendations of the Speaker's Conference on the employment conditions of MPs' staff. It also underlined the impact of the General Election on IPSA's operations for 2024-25. It therefore suggested that the business plan for 2024/25 be tabled at its meeting of 13 December for sign-off, with further iterations to be presented to the Board either on 18 October, via correspondence, or at its subcommittee IIAG meeting of 15 November. The Chair of ARAC would also further consider the proposed budget ahead of formal tabling.
- 3.4 The Board confirmed that the broad focus and commitments outlined in the proposed progress report and forward look to SCIPSA were appropriate, particularly the spotlights on McCloud, the General Election, customer service, progress on IPSA Online, the IPSA Online front-end, accommodation, and staffing. The briefing note to SCIPSA would be circulated to Board members for comment and approval ahead of the next Board meeting.

4. Meetings with MP Staff Groups

- 4.1 The Chair welcomed representatives of the WWG, MAPSA, Unite, and GMB to the IPSA Board to discuss the views and experiences of MPs' offices and what IPSA could practically do within its remit to ensure fair working conditions and support their wellbeing.
- 4.2 The WWG raised the following areas of discussion: continuity of support when a staff member leaves, high turnover, greater delineation and ringfencing of funding for staff training, health, and wellbeing, the poor conditions of some constituency offices, and the reluctance to claim for basic but essential office expenditure. The Group was planning to conduct a third survey after the Speaker's Conference recommendations have been considered in the House. The WWG welcomed IPSA's approach in introducing funding for staff wellness and noted that staff felt IPSA was listening and engaging with them more openly.
- 4.3 Unite were interested to learn if IPSA planned to accept and adopt the recommendations made by the Speaker's Conference and more broadly noted the following areas of discussion: dissatisfaction amongst members as to annual and baseline pay, the process of

determining the staffing budget and the need to engage MP staff within that cycle before a decision is made, and opportunities for pay progression.

- 4.4 MAPSA endorsed the view that MP staff should be involved in the process earlier, but welcomed IPSA's engagement and desire to work with offices. MAPSA additionally welcomed the funding provided for staff health and wellbeing support, but would be interested to learn how many offices have made use of it, the impact of publication, and more examples of eligible activities. MAPSA also doubted that the staffing budget could truly accommodate a five-staff member office across key roles paid at the top of their band without drawing on the wellbeing sum for additional staffing capacity instead. More broadly, the budget limited career progression and retention. Some offices have also made use of external HR firms where there may be limited assurance as to their probity/quality, and IPSA and the House should reconsider data-sharing arrangements to ensure all staff on the IPSA payroll are security cleared.
- 4.5 The GMB agreed that the staffing budget should not be used on consultants, with such spend more properly being drawn from the office costs budget. The GMB further noted points on continuity of service in line with the Speaker's Conference, more flexibility on office rental costs, aggregation of staff salary costs, clearer communications and encouragement to make use of the wellbeing funding, higher pay band ceilings to facilitate progression, and improved IPSA communications to emphasise that retention and progression of MP staff is in the public interest to maintain their skills and relationships with constituents. A key campaign by the union was for pay parity for caseworkers, whose role was hard to benchmark, but which involved a wide range of social issues and emotional resilience. The union had written in February 2023 to all MPs with underspends of more than £5000 to ask them to use it to increase their staff pay or award reward and recognition payments.
- 4.6 The Chair thanked all of the representatives for their contributions and stressed that IPSA was keen to do the best it possibly could to support staffs' working lives within the limits of its statutory and constitutional authority. The decision to auto-uprate the annual cost of living award was a signal and demonstration of IPSA's keenness to find workable ways to do this in practice. To this end, IPSA would respond positively to the recommendations of the Speaker's Conference, many of which were already in flight or in planning, or subject to the working group on staff T&Cs already established. IPSA would also work collaboratively on the practical ways it could better partner with the House and welcomed the recommendation for its HR function to expand. IPSA was also reviewing its Publication Policy in 2023/24.
- 4.7 The Board added its thanks to all members for their time and feedback. It encouraged the groups to proactively provide further evidence on the matters raised above and to engage freely with IPSA, particularly ahead of the budget-setting process and cost of living decision set to be determined by the end of the calendar year prior to submission to SCIPSA.
- 4.8 The Head of Policy also noted that IPSA was openly consulting a wide range of views and expertise in this second part of its review of MP staffing, including grading within bands to

support pay progression, and where such policy options could be made bespoke to our very particular environment. The intention was for this to be co-created with staff, and further meetings would be held with MP staff representatives in autumn to this end.

- 4.9 The Chair thanked members again for their attendance and looked forward to further frequent dialogue between the representatives and IPSA officials, in addition to another formal session with the Board in September 2024.

5. McCloud

- 5.1 The Head of Policy introduced a draft consultation document on a redress scheme to mitigate unintended tax impacts following the McCloud judgment and noted that this part of the project had been delayed pending engagement and tax information from HM Treasury. IPSA had now received an assurance from HMT that a Finance Bill would enable such payments to be authorised and the proposal in the consultation was that responsibility for this process lies with the Parliamentary Contributory Pensions Fund Trustees, as IPSA may not have the legal powers to make such direct payments and do not hold sufficient member information.

- 5.2 The paper recommended that the Board agree to hold a consultation on the proposal to introduce a redress scheme for McCloud tax consequences. The consultation would run with statutory consultees from 19 October to 17 November. A proposal to amend the CARE section rules to allow active members to take their lump sum right before they turn 75 and a proposal to amend the Final Salary rules on scheme limits to ensure they remain in line with the original intention were additionally suggested for inclusion.

- 5.3 The Board supported the proposals for consultation. It further requested a specific legal opinion on the proposal. They raised further questions as to how IPSA would disclose such payments, which further underlined its view that the PCPF Trustees were the appropriate body in practice and in law to conduct such activity. The Board delegated sign-off of the consultation document to the Chair following his meeting with the Chief Secretary to the Treasury on 19 September.

- 5.4 The Head of Policy also provided a general update on progress in the McCloud implementation project. Significant progress had been made as most impacted members have now received individualised figures. Some packs, however, will need to be re-issued at significant additional cost a result of late retirement factors to be agreed upon the advice of the Government Actuary Department.

- 5.5 The Board thanked the Head of Policy for a comprehensive paper on such a complex matter.

6. Compliance Officer's Quarterly Report

- 6.1 The Compliance Officer outlined his latest quarterly report and summarised recent trends and referrals. He further proposed that the textual report be revamped into a dashboard focusing on the number of investigations, subject, source, resolution, and time.
- 6.2 The Board noted the report and approved the proposal as helpful to the Board in analysing any compliance risks or trends under the future target operating model.

7. Senior Board Advisers

- 7.1 Following the governance review, the Chair of IAG introduced a draft umbrella scoping agreement designed to supplement any contract issued to advisers supporting the Board. She sought common agreement on clarifying what the roles were for and to help the Board manage them properly so to avoid any intrusion into the Executive's work.
- 7.2 The Director of MP Services, Strategy and Change envisaged that the advisers would serve as subject matter experts on particular areas and provide independent advice to the Board to this end. This would potentially be across several areas during short-term contracts. If longer-term, IPSA would need to carefully ensure breadth and depth of expertise. The role would also complete and follow standard probationary periods, contractual matters such as PAYE and IR35, and conflicts of interest/political activity declarations.
- 7.3 The Board's view was that the advisers should not interfere in the work of the Executive and would rather focus on an area of work upon which advice is required, rather than broader programmes. Given its statutory constraints, the role should supplement the skills of the Board across a period of time or on an ad-hoc basis. One example was the need for digital expertise on ARAC. The Board agreed to consider how best to test out this approach after conducting the skills audit recommended by the governance review, perhaps starting with ARAC and being followed by IAG.

8. Chief Executive's Report

- 8.1 The Chief Executive highlighted the work IPSA has conducted to assure itself of its cyber controls and Freedom of Information (FoI) processes following recent high-profile data breaches across other public bodies. He was assured that the organisation had built solid foundations so to mitigate the risk of such instances at IPSA. General Election planning was also advancing well, with around 50 meetings held with standing down MPs. Significant progress had also been made to meet FoI requests within statutory limits. He further updated the Board on a tribunal case in which IPSA was supporting the Information Commissioner.
- 8.2 The Board sought assurance as to the security vetting processes at IPSA: it was confirmed that all staff and contractors are required to have appropriate clearances.

- 8.3 The Board further noted the update and approved the next steps suggested on the governance review paper annexed to the CEO report. It additionally noted the consultation report for publication.
- 8.4 The Chair additionally confirmed that Dame Laura Cox would join the People Committee of the IPSA Board and Will Lifford would stand down from that subcommittee.
- 8.5 The Board thanked the Executive for the draft response to the Speaker’s Conference, with a copy to be circulated to Board members for comment.
- 8.6 The Board noted the latest monthly KPI report and the update from the Director of MP Services, Strategy and Change, that an issue with the forecasting accuracy metric would be resolved for 18 October. The Board welcomed the particular improvement in email resolution times.
- 8.7 The Director of MP Services, Strategy and Change, provided the latest update on the Improving IPSA Programme. This included the introduction of a discovery phase to enable co-creation with customers of the IPSA Online front-end portal. IPSA also planned to procure and appoint suppliers for the property management support and direct supply proofs of concept, including as a one-stop-shop, in October.
- 8.8 The Board noted the reports with thanks.
- 9. Improve Customer Service Report**
- 9.1 The Board noted the report with thanks.
- 10. General Election Planning Update**
- 10.1 The Board noted the report with thanks.
- 11. Financial Report & Management Accounts**
- 11.1 The Board noted the report with thanks.
- 12. Board Work Programme, Reflections, and Any Other Business**
- 12.1 The Board noted its programme of work for the rest of 2023.
- 12.2 The Board particularly welcomed the opportunity to engage with MP staff representatives and found the session informative and productive.

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