IPSA
Independent Parliamentary Standards Authority

Annual Report and Accounts for 2024-25

HC 468

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Annual Report and Accounts for 2024-25

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Part I:
Performance Report

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Introduction from IPSA's Chair

I am pleased to report that in 2024-25 IPSA continued to change for the better. Our service performance improved, complaints significantly reduced, and work to transform the way IPSA supports MPs and their staff made good progress. Our purpose is to do all we can to support trust in our parliamentary democracy through great service, clear rules and wise spending.

One important step was the introduction of a new Scheme of MPs' Staffing and Business Costs as a foundation of our new regulatory approach. This aims to provide MPs with greater flexibility to make decisions about how best to serve their constituents within a framework of clear expected standards for the use of public money.

Throughout the year IPSA carried out our statutory responsibilities in full, setting, administering, and regulating MPs' staffing and business costs, pay, and pensions and ensuring that our funding was used properly and efficiently.

Compliance with our rules remained high. To assure the public, we published spending data on both a bi-monthly and annual basis along with clearer contextual information about MPs' statutory funding arrangements through our 'Supporting Democracy' reports. We again achieved extremely high accuracy in paying the salaries of MPs and their staff each month.

Some of our service transformation was put on hold as the General Election saw the arrival of 350 new Members and the departure of as many former MPs. In bringing such a large number of new MPs into IPSA's system, we registered 600 new properties, onboarded 2,500 staff, and handled 24,000 customer calls – 86% of which were answered within 20 seconds.

The progress recorded by IPSA was made possible through the diligence and perseverance of our dedicated, hard-working team. On behalf of the Board, I sincerely thank everyone at IPSA, and our partners, for all their efforts.

I am also hugely grateful to all our Board members – and Boardroom Apprentices – who have expertly guided IPSA, providing constructive challenge and support while ensuring we remain on course to meet our commitments to improve the organisation.

Richard Lloyd
Chair

10 July 2026

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Organisation overview

A. Who we are, and what we do

This section provides information on the statutory framework under which the Independent Parliamentary Standards Authority (IPSA) operates, our strategic aims and statutory objectives covering the financial year ended 31 March 2025.

IPSA's accounts have been prepared to meet the Parliamentary Standards Act 2009 (PSA 2009) requirements and follow the Government Financial Reporting Manual (FReM), as specified in the direction issued by HM Treasury.

Statutory framework

IPSA is a statutory body independent of Parliament, Government, and political parties. It was established by the PSA 2009.

Following a series of recommendations from the Committee on Standards in Public Life, the Government, with the support of the three largest parties at the time, agreed to make early revisions to the PSA 2009. Those revisions were made through the Constitutional Reform and Governance Act 2010 (CRAG 2010). The additional principal function passed to IPSA by CRAG 2010 was the responsibility to determine MPs' salaries and pension arrangements.

IPSA's statutory remit is to provide independent regulation and administration of MPs' pay, pensions, business costs and staffing costs.

IPSA:

- sets and regulates the Scheme of MPs' Business Costs and Expenses (the Scheme)
- administers the Scheme
- determines the salaries and pensions of MPs
- pays the salaries of MPs and their staff

Our purpose is supporting democracy with great service, fair rules, and wise spending. Our vision in support of our purpose is enabling MPs to focus on what really matters by providing an exemplary, seamless regulatory service.

To achieve our purpose and vision:

- we regulate MPs proportionately and effectively by setting rules that support compliance and making independent, fair, and transparent decisions in line with our fundamental principles
- we assure the public by consulting them on our rules, operating transparently and publishing accessible information about MPs' business costs
- we support MPs by promptly making accurate payments, providing clear advice and guidance about MPs' responsibilities for public money in line with the Scheme, and continuously improving our systems and processes to make them more efficient and effective
- we develop our staff by giving each person the tools, training, and support to perform professionally and achieve excellence in a strong team underpinned by respect and trust.

The way we achieve our purpose and vision is underpinned by our values of staying connected, seeing the bigger picture, being open, doing the right thing and making a difference.

Estimate subheads

IPSA's budget for the financial year is scrutinised and approved by the Speaker's Committee for IPSA (SCIPSA).

IPSA's 2024-25 spending plans were given parliamentary approval by the House of Commons through its Main Estimate (HC 750) and Supplementary Estimate (HC 613).

The Estimates included three subheads related to Departmental Expenditure Limits (DEL):

- Subhead A: MPs' pay, staffing and business costs
    - MPs' salaries
    - MPs' staff salaries
    - MPs' business costs
- Subhead B: IPSA's core operational costs
    - staff and non-staff costs
    - costs relating to the Compliance Officer for IPSA
- Subhead C: Costs incurred related to General Election 2024

B. IPSA's strategic objectives

This financial year was the first year of the refreshed Corporate Plan 2024-27. The plan focuses on strong but simple regulation with clear rules, simple processes and assurance that public money is well spent. We have refreshed our strategic objectives of improving customer service, simplifying policy, delivering better financial value and growing our people to deliver an exemplary regulatory service, adding a new one – supporting trust in democracy – to capture the work we are doing to improve awareness of, and trust in, IPSA's purpose and deliver representative democracy.

The new Corporate Plan brings more focus to those offices facing challenges and less on those that are working well. We will give greater flexibility and better purchasing options to reduce the need for reimbursement and deliver value for money through the centralised supply of goods and services. More information can be found in the 2024-27 Corporate plan.

Aligned to the strategic objectives and our vision, the IPSA Business Plan 2025-26 outlines the work we will do to deliver our core business activity, make tactical improvements and deliver on our strategic ambitions through the Improving IPSA programme initiatives, as well as some additional key activities.

2024-25 was dominated by our response to the General Election announced on 22 May 2024. As our foremost priority during this year, we repurposed IPSA's staff onto General Election work, resulting in the postponement of most of the 2024-25 Improving IPSA programme activity, and other business as usual work. Therefore, we have recalibrated the Improving IPSA plan for 2025-26.

C. Our work in 2024-25

During 2024-25, we continued to progress delivery of the Improving IPSA programme to reduce the administrative burden on MPs and their staff. We also focused on readiness for a General Election, training and repurposing all IPSA's people to work on election activity. The election was called earlier than anticipated, and by the date of the election, IPSA was in a strong position to deliver a much-improved election experience to departing, returned and new MPs.

With a turnover of 350 MPs, IPSA dealt with record electoral turnover, with 51% of MPs elected to the House of Commons for the first time. This meant that IPSA was dealing with 1,000 MPs for a period of four months post-election, its highest volume ever.

Based on feedback from all our stakeholders during and post the election, IPSA deem the planning and execution of the General Election to have been successful.

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Collaboration

We worked closely with the House of Commons on planning and delivering the General Election. We had a well-planned programme which put the requirement to meet the needs of new, departing and returning MPs at its heart. We worked collaboratively, constructively, and effectively with colleagues at the House to provide an exemplary joined-up service to new and departing MPs. We responded with positive resilience and agility to challenges, adapting to changing processes, needs, and timelines effectively. We learned from feedback from previous elections and incorporated recommendations into our planning and delivery, such as increasing the duration of the winding-up period.

We created a prototype front end portal for IPSA Online with the help of some proxies and office managers, improving the process for funding based on feedback from MPs and their staff. In October 2024, we launched our 'Supporting trust in democracy in the new Parliament – Consultation 2024'. Our consultations are critical to our decision making and we heard from the public, MPs, their staff and other stakeholders about our work, which helped us to review and formulate our policies.

Customer service

We forged meaningful relationships with MPs and their staff, treating those departing with dignity and respect, and welcoming new and returned MPs. Despite servicing 1,000 MPs and their staff for a four-month period post-election, and receiving around 24,000 calls, we answered 86% of them within 20 seconds with 3.4% of calls abandoned, against a service level agreement of 80.0% of calls answered within 20 seconds and an abandoned rate of less than 5.0.%. This compared to 87.5% and 2.7% in 2023-24, with 13,500 calls received. We resolved 80% of email queries within five days compared to 77.5% in 2023-24.

Impressively, the account management team worked proactively, meeting MPs and their staff ahead of the 2024-25 year-end period to try and get ahead of demand. This resulted in a flattened demand and a smooth year-end, despite significant volume and a high volume of new MPs.

Our focus on service has seen complaints from MPs reduce from over 90 per year between 2019 and 2021 to 17 in 2024-25 and the time taken to reimburse MPs has steadily reduced from an average of 8 days in 2020-21, to an average of 2.4 days in 2024-25.

As we welcomed such a high number of new MPs, we postponed the Annual MP Survey to give them the opportunity to familiarise themselves with IPSA ahead of us asking

for their opinion on what works well and what could be improved. The results will be available in April 2025.

We have continued to experiment with the provision of centralised goods and services, concluding a proof-of-concept for Constituency Offices in which a nationwide property agent supported MPs in finding an office property and negotiating the lease. While we learned a lot about regional commercial rental markets, and the pricing, availability and standard of office properties, and MPs who successfully found a property praised the service, the proof-of-concept wasn't an absolute success. We are developing some alternatives to trial during 2025-26.

General Election

In the run up to the election, we streamlined processes that see high volume demand in an election such as onboarding new MPs, winding-up the affairs of departing MPs and supporting returning MPs. Ahead of the election, 132 MPs had chosen to stand down, and we used the standing down meetings IPSA conducted in partnership with the House as an opportunity for IPSA to refine the process in time for the General Election.

The General Election was held on 4 July 2024, and IPSA delivered a significantly improved experience for MPs and their staff and for IPSA's people. The robust readiness plan drew on resources from across the whole of IPSA and IPSA's people were skilled and supported to deliver General Election activity.

Keen to capture what worked well and where we may want to improve for the future, we maintained a learning log throughout and post-election we brought IPSA's people together to conduct a whole organisation lessons-learned exercise. Most of the feedback related to minor process issues and 'even better ifs' which will be addressed through process reviews and tactical improvement work.

However, there are seven areas for improvement that will make the next General Election an even more seamless, efficient, and effective process than that of 2024. These relate to improving the property and winding-up processes to remove complexity; increasing engagement with MPs and their staff to educate and train them on how to manage funding, staffing and property; maintaining the operational resilience we built through repurposing IPSA's people; improving the staffing process and guidance to make onboarding new staff easier; exploring the potential to engage with prospective candidates to smooth the transition into Parliament; and working with the House to improve the new and departing experience.

Notwithstanding the learning, the planning and execution of IPSA's response to the General Election was highly successful, especially when we consider the highest ever turnover of MPs. The success of what went well has been recorded and celebrated, and we will strive to further enhance the experience for MPs now and at the next election.

Ultimately, we delivered a threefold increase in workload for just 2.2% of in-year costs.

The Scheme

The Scheme of MPs' Staffing and Business Costs for the 2024-25 financial year was published in March 2024. It reflected updates to the budget amounts provided to MPs and MP staff salary ranges.

Work continued during 2024-25 to transform IPSA's regulatory approach. In October 2024, IPSA launched a consultation on 'Supporting trust in democracy in the new Parliament', which covered a range of proposals in support of this transition, including:

- more clearly defined regulatory principles
- the move to a more targeted, risk-based approach
- changes to the Publication Policy to provide more meaningful transparency and reduce the risk of misinterpretation of business costs data
- recognition of MP staff members past service with a different MP employer
- applying the regulatory principles to constituent communications, bought-in services and accommodation funding

Following the consultation and Board approval, a revised Scheme for the 2025-26 financial year was published in March 2025, accompanied by guidance on the changes.

Our people

The 2021-24 People Strategy was the backbone of a change in culture at IPSA, delivering best in class engagement, increased productivity and better outcomes for customers.

We continued to benchmark pay, raise pensions awareness and develop our employee value proposition to include a healthcare plan to support the cost-of-living pressures and wellbeing. We focused on delivering performance excellence and self-development opportunities, with the whole organisation focused on new skills to deliver their contribution to the General Election.

The 2024 Annual People Survey shows engagement at 77%, the same as 2023, but with 12 of the 15 survey dimensions scoring over the desired 75%. Maintaining such high engagement at a time when the whole organisation was involved in delivering a 283%

increase in work, much of which they were unfamiliar with, is testament to the work done on mental toughness and building positive resilience.

Supporting our people to manage change and be customer focused paid off with a 37% increase to the Managing Change dimension and a 35% increase on the Customer Focus dimension since 2021.

We have developed a new People Strategy for the period 2025-28, based on the same format as the last, with a view to maintaining and improving engagement further.

Satisfaction and engagement

Each year, we survey MPs and their staff about the service IPSA provides.

The results of the 2024-25 MP/Staff Survey, which ran from 17 March to 18 April 2025, show a slight increase in satisfaction with 66% of respondents rating IPSA's services as good or very good, from 65% in 2023.

The service gap is the difference between how important respondents view a service and the satisfaction rating given. The most recent survey tells us that most MP Services have improved, with the service gap reducing in all but one service (support from an Account Manager or Payroll Officer). The service gap has increased for the contract and job description tools but has reduced for the staff budget report and payroll forms, alerts and trackers. The service gap has increased for all communications services apart from the Proxies and Office Managers meetings, webinars and training, which has reduced slightly. However, looking at satisfaction scores alone for each service, the results show that satisfaction for all services has reduced compared to last year.

The themes for further improvement to be addressed through our plans for 2025-26 are:

- the IPSA Online user experience, including reporting
- customer service and consistency of advice
- the online guidance and the search function
- allowing customers to set up BACS and direct debits
- calls for IPSA to increase the budgets, especially the staffing budget

Every year we also survey IPSA people to test their engagement and understand what it feels like to work at IPSA. The Employee Engagement Index which comprises of pride, attachment, recommend, inspiration and motivation, is 77%, sustaining engagement from 2023. We're proud of maintaining engagement during the increased pressures

of delivering a General Election. Seven of 15 categories scored 80% or higher, 12 of 15 categories scored 75% or higher and even our lowest scoring dimension (pay and benefits) saw a 2-point increase (65%). Health and wellbeing (85%) is always a priority and was a core design principle when planning for the General Election. Even with the increased pressures on workloads across the second half of 2024, we maintained quality and met our service level agreements. All General Election activities were delivered through our existing headcount, with every person contributing so that we could address workload imbalance and maintain service delivery resulting in 94% of people saying, 'people I work with cooperate to get the job done'. 87% of our people say they can manage their work responsibilities in a way that enables a healthy work-life balance. Our people remain focussed on delivering our mission to deliver exemplary, seamless regulation so that MPs can focus on what really matters.

Cyber-security

We continue to strengthen our cyber-security provision and maintain a positive cyber-security culture across IPSA focused on good technology, quality security education, and robust processes around data security and access, as evidenced by us retaining the robust Cyber Essentials Plus accreditation. Our information is held either in the Microsoft Azure Cloud in the UK or ISO 27001 accredited private cloud environments and administration of access to systems is robust and well managed by the Technology team. This includes regular reviews of privileged accounts, and a mature joiners, movers, and leavers process. We have implemented multi-factor authentication for all systems and data areas and users are segregated, allowing only the lowest permissions for data access by default.

Password and device policies are in place and access to IPSA data is only possible from IPSA registered devices. We have a robust information governance and assurance framework as well as a strong IT code of conduct and acceptable use policy which we refresh our people with on a regular basis. We use only approved desktop software and monitor the use of Cloud/Software-as-a-service (SaaS) applications. Our people are well educated through mandatory learning, regular updates, and regular phishing simulation testing. We created a dedicated intranet site, hosting readily available advice, reporting links, and data protection guidance.

Data protection

Secure and effective management of information in compliance with legal obligations is critical to IPSA, enabling us to deliver our services effectively and efficiently. Protecting personal data is a priority for us in meeting our legal responsibilities and duty to each individual.

During 2024-25 we undertook the following activities to strengthen and develop our data security and information governance framework:

- continued to review and updated the full suite of Information Governance (IG) policies
- completed a further RSM UK update audit, covering the Freedom of Information Act 2000 (FoIA) and the Data Protection Act (DPA). Positive progress had been made to implement the recommendations reviewed, with no high priority recommendations outstanding
- implemented new templates for reporting IG incidents – these are more user friendly to allow IPSA colleagues to feel comfortable/ confident in reporting potential data breaches
- updated and implemented the new Records Management Policy and Retention Schedule. This has been utilised to assess paper records stored at 85 Strand, allowing us to move to a paper free environment at Ivybridge House. It has also been used to assess some legacy databases that we are seeking to decommission/delete

Assuring the public

In line with IPSA's commitment to transparency, we publish information on MPs' staffing and business costs according to our publication policy, including a routine bimonthly process for individual claim lines and an annual process covering the previous financial year. During 2024-25, we published bimonthly data in May, September, November, January, and March. Publication was paused in July during the General Election, in conformity with IPSA's publication policy, and resumed as normal in September.

In November 2024, alongside the publication of MPs' annual expenditure for the 2023-24 financial year, IPSA produced its second 'Supporting democracy' report. The report aims at fostering better public understanding of MPs' expenditure and of how public funding supports MPs' parliamentary duties, including their work, and that of their staff, in the constituencies.

Drawing on the replies to IPSA's public consultation, 'Supporting trust in democracy in the new Parliament', which took place from October to December 2024, we undertook a revision of the publication policy to reflect changes to the format of the published claims. The new format is intended to improve meaningful transparency and the readability of MPs' published staffing and business costs. In future, rent costs, pooled staffing services costs, and individual claim amounts under £50.00 will be published

as aggregated annually per MP. Additionally, amounts relating to payroll costs for staff who are on long-term leave will be published as a total amount across all MPs, to minimise any risk of staff identification. These changes have been incorporated into IPSA's fourth version of its publication policy, published in April 2025, and will take effect during 2025-26.

Sustainability

We are guided to operate in a sustainable way, making environmentally friendly choices, and reducing our carbon footprint where possible.

We are guided by following the Government Greening Commitment targets:

- reducing the overall greenhouse gas emissions
- reducing the overall amount of waste generated
- reducing water consumption
- continuing to buy more sustainable and efficient products and services with the aim of achieving the best long-term, overall value for money for society

These in turn contribute towards delivery of Sustainable Development Goals (SDGs).

Since 2019 we have operated a paperless system for MPs to claim business costs. In the past financial year, we have reduced the volume of paper forms available to MPs and staff. We aim to remove the remaining paper forms over time. Our guidance content is available digitally and this year we issued paper copies of the new Scheme of MPs' Staffing and Business Costs in paper form by request only.

We continue to operate a hybrid model of working which reduces commuting emission and the need to heat, cool and light the London office for a large number of people. We also continue to be part of the Cycle-to-Work scheme.

Emissions and energy usage

Measure	Metric	2024-25	2023-24
No. of flights taken	-	58	100
Carbon emissions from flights	Kilograms	288,282	516,780
Business related travel on public transport (excluding staff commutes and domestic flights)	Kilometres	23,832	19,531
Carbon emissions from business related travel on public transport (excluding staff commutes and domestic flights)	Kilograms	1,065.98	872.80
Energy used for heating and cooling	Kilowatt Hours	310,599.70	98,984.3

IPSA do not lease or own any vehicles, and we rent our office. We share our building with four other tenants, so we are restricted in our ability to cut our emissions by our landlord who retains control of lighting and heating the office.

Waste and recycling

Measure	Metric	2024-25	2023-24
Total waste arising	Metric Tonnes	23.96	15.95
Total waste recycled	Metric Tonnes	10.95	7.32
Total waste composted/food waste	Metric Tonnes	5.61	2.72
Total waste incinerated with energy recovery	Metric Tonnes	7.40	5.91
Total waste incinerated without energy recovery	Metric Tonnes	-	-
Total waste to landfill	Metric Tonnes	-	-
Single use plastic usage	Metric Tonnes	-	-
Paper usage	Reams	117	32
Water usage	Cubic Metres	797.9	839.8

General waste and recycling figures are based on a proportion of total building waste and are not directly controllable by us. All general waste produced in the building, including that generated by us, is sent to an energy-from-waste plant, instead of

landfill sites. We have reduced our use of paper since 2021-22 to help cut our waste, since the introduction of hybrid working.

D. Key issues and risks facing IPSA

IPSA faces a range of risks in its dual role in regulating and administering the staffing and business costs and being responsible for determining MPs' pay and setting the level of any increase in their salary and oversight of the MPs' pension scheme.

The risks are diverse in nature and severity and include those relating to:

- the quality of its regulation and engagement with stakeholders
- ensuring that IPSA's systems and the information contained within them is safe and secure
- effective and correct payment of MPs' and staff salaries and business costs
- the way IPSA manages itself and its people, including delivering enhancements to the services it provides

Some risks are driven by external forces over which IPSA has little control, such as the threat of cyber-security attacks by hostile actors and the overall perception and confidence in our political systems.

Over the past year, the Executive Leadership Team (ELT) have actively considered such risks as part of IPSA's Risk Management Framework. Further detail is given in the Governance Statement on page 42.

E. Going concern basis

The Statement of Financial Position in our accounts shows net liabilities. However, in common with other independent bodies funded by His Majesty's Treasury, the future financing of our liabilities will be met by Grants of Supply and the application of future income approved annually by Parliament. The SCIPSA has agreed to our Supply Estimate for 2025-26, and there is no reason to believe that future approvals will not be forthcoming.

Accordingly, it is considered appropriate to adopt a going concern basis for the preparation of these financial statements.

F. Performance analysis

We use Key Performance Indicators (KPIs) to give an overall assessment of our core functions – regulating MPs' business costs, resourcing, and supporting MPs and

providing assurance to the public – and we use data to monitor the activities of each business area.

In 2022, we created a new KPI dashboard that is focused on our strategy, purpose, vision, and strategic objectives that has measurable values to demonstrate how effectively IPSA is achieving its goals.

In 2024-25, our performance remained strong across many areas.

We reimbursed MPs' claims for business costs within an average of under three days, against a target of eight days.

Our payroll payments were 99.85% accurate, and we published MPs' business costs with 100% accuracy.

We also found very high compliance by MPs, with only 0.04% of claims assessed as being outside the Scheme.

During the reporting period, all our seven key performance indicators were fully met or exceeded. The table below sets out our performance against each indicator.

Key Performance Indicator	Measure in 2024-25	Measure in 2023-24	**Outcome**
Effective regulation of MPs' business costs			
Fewer than 1% of MPs' claims are outside the Scheme	0.04% of claims outside the Scheme	0.04% of claims outside the Scheme	**Achieved**
Providing support to MPs			
Claims are reimbursed in fewer than eight days on average	Reimbursement in less than three days on average	Reimbursement in less than three days on average	**Achieved**
Payroll accuracy is over 99.75% each month	Accuracy at 99.85%	Accuracy at 99.93%	**Achieved**
MPs and their staff show increased satisfaction with IPSA's support	In the 2024 survey of MPs and MPs' staff, 66% of respondents were 'positive about their experience with IPSA'	In the 2023 survey of MPs and MPs' staff, 65% of respondents were 'positive about their experience with IPSA'	**Achieved**
Assuring the public that MPs' business costs are well regulated			
Our publication of MPs' claims is over 99.75% accurate	100% accuracy achieved	99.98% accuracy achieved	**Achieved**

Key Performance Indicator	Measure in 2024-25	Measure in 2023-24	Outcome
IPSA staff show increased engagement	In the staff survey for 2024, 77% of IPSA staff reported feeling engaged	In the staff survey for 2023, 77% of IPSA staff reported feeling engaged	**Achieved**
IPSA demonstrates effective budget management	Estimate vs Outturn Totals underspent, but some individual budgets were overspent	Estimate vs Outturn Totals underspent, but some individual budgets were overspent	**Achieved**

G. Financial review

Following scrutiny by SCIPSA in the previous financial year, parliamentary approval for IPSA's 2024-25 budget was obtained.

IPSA's budget, also known as 'Voted Parliamentary Control Total', consists of Departmental Expenditure Limits (Resource and Capital), Annually Managed Expenditure and Net Cash Requirement. These items are explained below, and we provide summaries of the outturn (actual) figures against estimate (budget) figures, including an explanation on variances, for both the 2024-25 and 2023-2024 financial years.

This section also functions as an introduction to the Statement of Outturn against Parliamentary Supply (SoPS) contained in subsection 5A. The SoPS is the primary parliamentary accountability statement that reports IPSA's outturn against the final annual spending limits authorised through a vote by Parliament. These spending limits are often referred to as control totals or estimates. The financial tables below are a summary of the SoPS.

Departmental Expenditure Limits

The budget that is allocated to and spent by IPSA is known as the Departmental Expenditure Limit (DEL). DEL budgets are used for the everyday cost of resources such as staffing, referred to as 'Resource DEL' (RDEL) and for fixed assets and investment costs, referred to as 'Capital DEL' (CDEL). For IPSA, RDEL consist of three Subheads, A, B and C, as detailed below:

Subhead A: Programme funding for MPs' business and staffing costs comprising:

- capped budgets (accommodation, staffing, and office costs)
- uncapped budgets (travel and subsistence)
- income from the House of Commons if any

Subhead A		2024-25 £'000			2023-24 £'000	
	SoPS Note	**Outturn**	**Estimate**	**Variance**	**Outturn**	**Variance**
MPs' pay and staff costs		201,379	209,178	7,799	198,596	1,584
Capped business costs		32,162	28,671	(3,491)	26,477	2,915
Uncapped business costs		9,124	8,717	(407)	8,065	1,584
Income		-	-	-	-	-
Subhead A Total	SoPS 1.1	**242,665**	**246,566**	**3,901**	**233,138**	**6,083**

A detailed breakdown of our Subhead A financial performance is shown in Note 3 to the accounts.

MPs' pay and staff costs

While MPs pay costs were broadly on budget, there was an underspend on staff pay for 2024-25. This was due to vacancies and pay variances.

Capped business costs

Capped business costs including accommodation and office costs exceeded budget in 2024-25. While the budget accounted for anticipated increases based on historical spend patterns of MPs, the general election introduced a significant variable. A notable 12% (average) difference in budget uptake emerged between newly elected and returned MPs, leading to higher than projected spend compared to 2023-24.

Uncapped business costs

Uncapped costs for travel and disability exceeded budget in a significant deviation from 2023-24. This was largely due to new MPs utilising disability budgets at double the rate of previous parliamentary cohorts, and increased travel costs for members commuting frequently between residences, London and their newly established constituency offices.

Income

We received no income in either 2024-25 or 2023-24 for Subhead A.

Subhead B: IPSA's operational costs comprising:

- staff and non-staff costs

- the cost of the Compliance Officer

Subhead B		2024-25 £'000			2023-24 £'000	
	SoPS Note	Outturn	Estimate	Variance	Outturn	Variance
IPSA staff costs		7,203	7,450	247	6,450	227
Other costs		4,536	4,504	(32)	4,445	(227)
Income		-	-	-	-	-
Subhead B Total	SoPS1.1	**11,739**	**11,954**	**215**	**10,895**	**-**

A detailed breakdown of our Subhead B financial performance is shown in Note 4 to the accounts.

IPSA staff costs

There was an underspend in 2024-25, which was a direct result of salary savings achieved through earlier departmental restructures.

Other costs

Consultancy and professional services spend continued to be under budget consistent with 2023-24 as IPSA paused key projects to focus on the General Election. Consequently, IPSA did not use its contingency budget.

Income

We received no income in 2024-25 or 2023-24 for Subhead B.

Subhead C: Programme funding for the General Election costs comprising:

- MP staffing costs (including Loss of Office Payments, redundancy, winding-up)
- Other MP costs (including parallel running costs)
- IPSA staff General Election support costs

Subhead C		2024-25 £'000			2023-24 £'000	
	SoPS Note	Outturn	Estimate	Variance	Outturn	Variance
General Election costs		54,177	54,177	-	-	-

Subhead C		2024-25 £'000			2023-24 £'000	
	SoPS Note	**Outturn**	**Estimate**	**Variance**	**Outturn**	**Variance**
Income		(80)	(80)	-	-	-
Subhead C Total	SoPS1.1	**54,097**	**54,097**	**-**	**-**	**-**

A detailed breakdown of our Subhead C financial performance is shown in Notes 3 and 4 to the accounts.

Departing MPs Pay and Staff Costs

Departing members and their staff received loss of office, redundancy, and other severance and winding-up payments, as stipulated by the Scheme. The total costs for these payments were £28.7m against the £28.44m Supplementary Estimate submitted to HMT.

Parallel Running Costs

Due to the absence of a dedicated budget for General Election within the 2024-25 main estimate, IPSA had to cover the costs associated with both departing and new MPs from its existing budget during the winding-up phase. This scenario led to what was termed 'parallel running costs'. While our original Supplementary Estimate projected this to be £24.2m, the final outturn was £25.2m.

IPSA Staff GE Support Costs

General Election management was predominantly handled in-house by IPSA staff. Total costs amounted to £284k, exceeding our original estimate of £267k. This figure included £130k for overtime payments and additional £154k for operational expenses, including travel and printing.

Income

We received £80k of income in 2024-25 for reimbursement of IPSA funded office equipment, used for General Election campaigning.

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Annually Managed Expenditure

The budget allocated to IPSA for Annually Managed Expenditure (AME) is for items that may be unpredictable or not easily controlled by IPSA. Provisions are IPSA's only AME item.

AME		2024-25 £'000			2023-24 £'000	
	SoPS Note	**Outturn**	**Estimate**	**Variance**	**Outturn**	**Variance**
Provisions		3,013	7,450	4,437	(17)	167
Provisions Total	SoPS1.1	**3,013**	**7,450**	**4,437**	**(17)**	**167**

The favourable result against budget is due to requesting £7.3m for the McCloud redress scheme as part of the Supplementary Estimate, despite only £3.1m being required.

Capital (CDEL): IPSA's capital costs comprising:

Capital		2024-25 £'000			2023-24 £'000	
	SoPS Note	**Outturn**	**Estimate**	**Variance**	**Outturn**	**Variance**
Subhead A non-current asset additions		-	10	10	-	30
Subhead B non-current asset additions		52	261	209	466	27
Capital Total	SoPS1.2	**52**	**271**	**219**	**466**	**57**

Non-current asset additions

IPSA undertook one capital project this year, including the enhancement of our new financial reporting software.

Net Cash Requirement

Net Cash Requirement		2024-25 £'000			2023-24 £'000	
	SoPS Note	**Outturn**	**Estimate**	**Variance**	**Outturn**	**Variance**
Net Cash Requirement		306,181	312,364	6,183	242,825	7,287
Total	SoPS3	**306,181**	**312,364**	**6,183**	**242,825**	**7,287**

Net Cash Requirement (NCR) was below budget due to the underspend in DEL budgets as explained above.

2025-26 Budgets

IPSA's main estimates have been approved for 2025-26 where the NCR has decreased overall to £287.04m. The decrease is due to there being no budget requirement for the General Election. However, there is an increase within Subhead A.

Karen Walker
Accounting Officer
10 July 2026

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Part II: Accountability Report

1. Corporate Governance Report – Directors' report

A. IPSA's Board

IPSA's Board is responsible for setting IPSA's strategic direction and, as advised by the Executive Team, deciding the policies that form the Scheme.

Details of Board members and the Executive Team are set out in the Governance Statement.

B. Company directorships and other significant interests held by Board members

IPSA's Board members hold no significant interests.

Details of all interests held can be found on our website. Please note, the Register of Interests is located within the individual Board members profiles, in the section 'Who we are.'

C. Staffing

During 2024-25, IPSA employed an average of 100 full-time equivalent staff on both permanent and fixed-term contracts.

In addition, we had five Board members (plus one Boardroom Apprentice through the scheme operated by the Ministry of Housing, Communities and Local Government) and funded the costs of one Compliance Officer and a deputy, and three Lay members of the SCIPSA.

As of 31 March 2025, 39% of staff were male, and 61% of staff were female. We monitor the ethnic minority background of our starters and leavers by reference to each of the protected characteristics set out in the Equality Act 2010 to improve representation and take action, as necessary.

IPSA has an equality and diversity policy, covering IPSA's commitment to equality and diversity and eliminating discrimination which asks our people to share their data with us.

24% of our people identify as coming from an ethnic background and 14% of our people identify as LGBT+.

At leadership level, 18% identify as coming from a minority ethnic background and 18% identify as LGBT+.

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All IPSA employees are offered access to an Employee Assistance Programme, which provides access to various resources, including confidential counselling and a phone line available 24/7 to provide help on general, legal, financial, family guidance and information issues.

Our People Strategy includes a Belonging strand that ensures IPSA maintains a strong focus on diversity, inclusion, and equity across the workplace.

Our recruitment practices are designed to reduce unconscious bias, and we have continued to recruit nationwide (rather than London centric) with our employees located across all four UK countries.

IPSA adheres to the rules applying to government departments, whereby all individuals on contracts of more than six months' duration, where the annual cost is greater than £64,680 (equivalent to £245 per day), are required to provide IPSA with an assurance that tax due on contract payments will be paid. As of 31 March 2025, IPSA did not engage any individuals on such contracts.

To demonstrate our commitment to pay transparency and best practice, we have included our gender pay gap data and for the first year we have included our ethnicity pay gap data. The snapshot date used is 31 March 2025.

Gender Pay Gap	2024-25		2023-24	
	Male	Female	Male	Female
Number	40	59	43	62
Percentage	39%	61%	41%	59%

	2024-25	
Ethnicity Pay Gap	Non-ethnic background	Ethnic background
Number	75	24
Percentage	76%	24%

The mean gender pay gap shows that the mean hourly wage of males is 17% higher than females (21% in 2023-24), as a result of under-representation of females in the most senior roles.

The median gender pay gap shows that the median hourly wage of males is 18% higher than females (20% in 2023-24).

	2024-25			2023-24			Variance		
	£	%	Swing	£	%	Swing	£	%	Swing
Mean GPG in hourly pay	(5.07)	(17%)	In favour of male	(5.88)	(21%)	In favour of male	(0.81)	4%	In favour of male
Median GPG in hourly pay	(4.42)	(18%)	In favour of male	(4.59)	(20%)	In favour of male	(0.17)	2%	In favour of male

The mean ethnicity pay gap shows that the mean hourly wage of people from a non-ethnic background is 14% higher than people from an ethnic background, as a result of under-representation of ethnic background employees in the most senior roles.

The median ethnicity pay gap shows that the median hourly wage of people from a non-ethnic background is 14% higher than people from an ethnic background.

	2024-25		
	£	%	Swing
Mean EPG in hourly pay	(3.88)	(14%)	In favour of people from a non-ethnic background
Median EPG in hourly pay	(3.18)	(14%)	In favour of people from a non-ethnic background

While the gender pay gap data favours males, we are confident that where equal jobs exist there is absolute pay parity irrespective of gender and ethnicity and the People Committee keep a keen eye on diversity pay gaps.

Gender Pay Gap Quartiles		Quartile			
		Upper	Upper mid	Lower mid	Lower
Variance	% change males	(6%)	2%	6%	(13%)
	% change females	6%	(2%)	(6%)	13%
2024-25	Males	14	10	8	8
	Females	11	15	17	16
	Total employees in the quartile band	25	25	25	24
	Proportion of male employees in each quartile	56%	40%	32%	33%
	Proportion of female employees in each quartile	44%	60%	68%	67%
2023-24	Males	16	10	7	12
	Females	10	16	20	14
	Total employees in the quartile band	26	26	27	26
	Proportion of male employees in each quartile	62%	38%	26%	46%
	Proportion of female employees in each quartile	38%	62%	74%	54%

Ethnicity Pay Gap Quartiles		Quartile			
		Upper	Upper mid	Lower mid	Lower
2024-25	Non-ethnic background	22	20	14	17
	Ethnic background	3	5	11	7
	Total employees in the quartile band	25	25	25	24
	Proportion of employees from a non-ethnic background in each quartile	88%	80%	56%	71%
	Proportion of employees from an ethnic background in each quartile	12%	20%	44%	29%

D. Health and safety

We are committed to creating a safe, healthy, and supportive working environment, placing wellbeing at the heart of everything we do.

From day one, we equip our people with the knowledge and tools they need to feel confident and cared for. This includes a tailored health and wellbeing induction to

help set up a safe, comfortable, and productive workspace. We also regularly update our health and safety policy supported by risk assessments that guide our day-to-day activities. These resources are designed to reflect the evolving needs of our teams, the nature of our work, and the environments we operate in. Health and safety is a shared responsibility and our people managers play a key role in promoting wellbeing, regularly checking in with teams to ensure everyone has the equipment and support they need to work safely.

Our ongoing health and wellbeing programme includes regular workstation assessments and free eye care and vaccinations. Mental health is just as important as physical health and we have trained mental health first aiders available to talk with anyone who may need support, whether it is work-related or personal. Our people can also access a confidential health service offering professional advice and emotional support.

E. Pensions

Our employees are covered by the provisions of the Civil Service Pension arrangements. Information on pension entitlements is provided in the Remuneration and staff report.

Please refer to page 64 of this report for details of IPSA's accounting treatment for pension liabilities.

F. Personal data related incidents

During 2024-25, the IPSA suffered no significant losses or thefts of personal or other protected data. There were no incidents meeting the threshold for reporting to the Information Commissioner's Office (ICO).

The Data Protection Officer has created and implemented improved reporting templates to make it easier for colleagues to report an Information Governance incident.

G. Complaints and customer service

We aim to acknowledge complaints within two working days and provide a final response within five working days.

During 2024-25 we handled 13 formal complaints from MPs and their staff covering various issues, eight less than in 2023-24.

Type of Complaint	Number of Complaints	
	2024-25	2023-24
Payroll related issues – reward & recognition payments, salary over/ underpayments	4	9
The claim process – evidence requirements, rejected claims, IPSA Online errors	4	5
System errors and permissions	-	2
Issues around rent/deposit loans	1	2
Delayed response times	1	1
Error in payment request	1	-
A payment card suspension	-	1
The terminology used in our year-end guidance	-	1
IPSA Funded business costs – travel claims	1	-
Communication tone	1	-

Of the overall complaints, 11 were resolved within the agreed response times, and 5 complaints were upheld.

H. The Compliance Officer for IPSA

The Constitutional Reform and Governance Act 2010 created provision for a statutory officeholder, the Compliance Officer, whose principal functions are to investigate claims that an MP may have been paid a claim to which they were not entitled and, upon request, to review a determination by IPSA to refuse an MP's business costs claim.

The Compliance Officer reports to IPSA's Board but acts wholly independently of IPSA's executive.

Brigadier Jonathan Blair-Tidewell resigned on 31 May 2024. Matt Walker was appointed on 1 June 2024. The Compliance Officers report is shown in Part V.

During the reporting period, IPSA handled 130 new complaints. 123 of the complaints were made by members of the public and six complaints were referred by IPSA following internal audit and assurance reviews and complaints received from the media, and one report was made by an external source.

Four of the complaints / referrals led to the initiation of formal investigations, which are now in progress. 43 of the other complaints were closed following assessments that concluded the relevant MPs had acted in accordance with the Scheme or were inadvertent errors. In addition, a further 83 complaints were made which fell outside the remit of the Compliance Officer.

During 2024-2025, four MPs requested reviews of claims that IPSA had refused. The Compliance Officer dismissed one case as out of remit and upheld the other two cases in favour of IPSA. The fourth case is ongoing at the time of writing.

I. Basis of accounts

The accounts for the year ended 31 March 2025 have been prepared under a direction issued by HM Treasury in accordance with PSA 2009.

J. Risk management

We continually assess our exposure to risks and seek to ensure that risks are appropriately mitigated.

As part of our formal risk management process, we maintain a risk register that includes those risks at a strategic level. The risk registers are reviewed regularly by IPSA's Executive.

Our Audit and Risk Assurance Committee (ARAC), comprising Board members also formally reviews risks and the associated mitigation actions at its regular meetings. ARAC also undertake regular 'deep dive' assessments of the controls in place to mitigate key strategic risks.

At the end of 2021-22 IPSA introduced revised risk management arrangements, including the use of risk management software. This has helped embed risk management into day-to-day management decisions and processes. Risk owners were trained in the use of the software, automatic prompts are given when the information is due to be updated and risk owners can get real time bespoke reports to help them manage risks. Risk management policies and processes have been subject to review as part of continuous improvement activity throughout 2024-25.

More information on our management of risk is set out on page 50.

K. Policy for payment of suppliers

We adhere to the Late Payment of Commercial Debts (Interest) Act 1998 (LPCD(I)A 1998) and meet the standard terms of payment of invoices of 30 days from receipt, except where different terms have been agreed with suppliers.

Although independent, we are treated as a small department, and so the government's five-day target for small and medium enterprises (SMEs) to receive payment is not mandated. However, we aim to pay valid invoices from SMEs within ten days.

Payment of trade and other payables is reported on a creditor-days basis. This is calculated as a proportion of the amount owed to trade creditors at the year-end compared with the aggregate amount invoiced by suppliers during the year, expressed as a number of days in the same proportion to the total number of days in the financial year.

We paid suppliers within an average of approximately four creditor days in 2024-25 (five in 2023-24). 96% of suppliers were paid within ten days of receipt.

No interest was payable under the LPCD(I)A 1998 (£Nil in 2023-24).

L. Future priorities: plans for 2025-26

We will continue to regulate through service in our business-as-usual activity of supporting and monitoring MPs' use of taxpayers' money and administering the business costs and pay of the 650 elected UK MPs and their staff to ensure they are resourced effectively to carry out their Parliamentary functions.

With new MPs still getting used to working with IPSA, we anticipate a similar, if not higher, volume of work.

Regular business-as-usual volumes:

- reimburse c.100,000 business cost claims and process c.50,000 payment card claims
- continue to pay 650 UK MPs and their c.3,500 staff, processing around 500 contract changes and 500 overtime forms and administering up to 200 leavers and new starters each month
- register in the region of 20 new home and office leases and amend 75 leases each month
- publish c.26,000 lines of spending information every two months
- action around 250 requests made under Freedom of Information Act 2000 (FoIA)
- respond to c15,000 calls and c.26,000 emails relating to queries and funding requests from MPs and their staff, supporting them to manage their budgets
- hold face to face year-end budget management meetings with MPs who need extra support
- deliver the annual cycle of financial reporting, accounts and audit

Aside from this important work, we will continue to deliver on our strategic priorities, aligned to the Improving IPSA programme.

We want to improve the service we offer to MPs and their staff and reduce the administrative burden of dealing with IPSA, avoiding the need for MPs to spend their own money before claiming it back.

We will continue to build on the improvements made to the terms and conditions of MPs' staff in response to the 2023 Speaker's Conference on the employment of Members' staff, recognising past MPs' staff service for redundancy and family leave pay, as well as formalising intra-office staff loans and secondments that will improve career development and retention of experienced staff.

We delayed the plan to review the business cost reimbursement model in 2024-25 due to the General Election workload taking priority. In 2025-26, we will review the business cost model in full, to assess and pilot alternative ways of enabling budget spend without the need for MPs and their staff to reclaim retrospectively. We will also continue to look for opportunities to centralise the procurement of goods and service to avoid the need for reimbursement claims.

We will work with a small number of MPs to make finding an office property and negotiating a lease easier, experimenting with such as setting a minimum criterion for the quality of office premises and forgoing the budget constraint, testing IPSA as the leaseholder and seeking regional suppliers to support MPs in property search and negotiations. Alongside this, we will progress a pilot with a company that can provide a centralised broadband service and who can invoice IPSA directly to test the centralisation of a utility.

We will progress the co-design of the user portal prototype for IPSA Online, developing a live version of the prototype, initially to improve the way MPs and their staff seek reimbursement of funding. We will create a phased plan of future developments focused on saving MPs and their staff valuable time and removing the admin burden of funding their parliamentary work.

We will also continue to pursue a marketplace pilot that is hosted within the portal, allowing MPs and their staff to purchase goods such as office equipment centrally, starting with a pilot during 2025, which will help us further assess the value of a centralised purchasing model.

Our revised regulatory philosophy to a stronger, fairer, more effective one draws on the principles on which MPs can make decisions on how to use their funding, and on which we will regulate. These are:

- Parliamentary purpose
- Value for money
- Integrity
- Accountability

We will implement the new regulatory approach, empowering MPs to make their own judgements about how to run their financial affairs aligned to expectations and with the emphasis on support and guidance from IPSA. We will use data to help us mitigate risks, identify issues and act swiftly to provide the support and guidance needed to enable MPs to adhere to our principles, strengthening the framework for regulatory intervention where ongoing non-compliance is identified.

The funding of accommodation costs incurred by MPs having to work from two locations will be reviewed during 2025-26, delayed because of the election. We will align the review with our principles-based model and provide assurance on value for money, mitigate the risk of personal benefit and ensure that funding meets the needs of MPs and their families.

There will be a review of MPs' pay, as IPSA is legally required to review this within 12 months of a General Election, and we will include research and engagement on funding democracy aligned to this requirement.

The McCloud project has moved from policymaking to implementation now that affected pension scheme members have made their choices. The work will be less intensive but will continue for a number of years as the redress scheme is implemented.

We will modernise IPSA's financial management function and create improved efficiency, modelling and insight and will finalise our implementation of the strategic financial planning and analysis software tool and integrate it with IPSA Online.

We will assess the funding we provide to ensure MPs are resourced appropriately to carry out their parliamentary functions and to support them in managing their budgets and we will introduce greater budget flexibility aligned to the new regulatory philosophy. We will continue to improve the way in which we validate funding to ensure it complies with the Scheme to reduce the amount of low-risk validation on compliant offices and increase scrutiny where it is needed most.

All our evidence shows that most MPs seek to comply with IPSA's rules but the funding we provide MPs to carry out their Parliamentary roles attracts high levels of media scrutiny of IPSA's data and policies. We will provide more ambitious, thoughtful, and innovative communication that moves us away from publishing data solely to meet IPSA's legal duties to building greater trust and context in IPSA's purpose.

We will also review the way in which we publish on MPs' spending as it is often misinterpreted by the media and public and can deter MPs and their staff from claiming legitimate costs. We plan to amend our Publication Policy so that rental costs and pooled service costs are published annually rather than as detailed claim lines, and we will progress the concept of aggregating small-value items and staff absence costs in publication.

We have a refreshed People Strategy covering the period 2025-28, aligned to the latest Corporate Plan, to build on the significant achievements of the 2021-24 People Strategy. We will continue to engage, empower and enable our people to deliver IPSA's strategic objectives.

The General Election gave us food for thought over how we train and develop our people, and we identified great strength in managing large-scale change as well as some areas that need increased focus. We will create a curriculum that helps our leaders grow further to deliver principles-based regulation and achieve the balance of assuring the public while freeing MPs and their staff to focus on what really matters. The development of a different regulatory mindset is crucial for principles-based regulation to work.

We have spent the last three years developing home-grown IPSA talent, and as the competition for talented people increases, we will focus our attention on the employee value proposition, creating real value for people to stay and progress within roles across IPSA.

We will continue to deliver on our people strategy to maintain high engagement levels and enable and empower our people to deliver principles-based regulation through service. The resilience, health and wellbeing of our people remains key, and we focused on this as we repurposed trained and practiced IPSA people into temporary General Election roles to ensure we can deliver a smooth experience for MPs and their staff and IPSA's people.

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Pensions

During 2024-25 we continued to address the significant policy issue of the McCloud correction to the MP pension scheme. Working closely with the Parliamentary Contributory Pension Fund (PCPF) Trustees, and based on the government's preferred option, IPSA produced a further revision of the pension scheme rules in December 2024, which established a 'redress payments scheme' which will compensate members for adverse tax impacts arising from their choice (and which would not have arisen if their choice had been applied retrospectively). In January 2025, the government produced tax regulations in order to facilitate these redress payments as well as to mitigate the risk that any member receives a tax 'windfall' as a result of their McCloud choice. With considerable financial and resourcing support from IPSA, the implementation of member choices by the scheme administrator is nearly complete and a tax advisory firm has been onboarded by the PCPF to deliver a tax redress payment verification service.

In addition to work relating to McCloud, IPSA has also revised the pension scheme rules to introduce an 'economic check' into the cost control mechanism, as well as to align in other ways with the 2024 HM Treasury Directions as appropriate. Other technical changes permit Career Average Revalued Earnings (CARE) members who are sitting MPs to take their lump sum right before their 75th birthday or afterwards, with their remaining pension abated until retirement; and on revaluation of Final Salary scheme limits, ensure that they work as intended and do not inadvertently restrict the benefits payable to a member. These changes were agreed following consultations in 2023 and 2024, and the revised rules were laid before the House of Commons in May 2025.

Process, technology, and people

We will embark on work to review MPs' staffing matters which includes assessing career and pay progression, equality, regional pay including the existing London salary weighting, flexible working, living pensions, job descriptions and bandings as well as further salary benchmarking. This work will be informed by the Speaker's Conference on the employment of MPs' staff which we are working closely with to deliver our shared objective of improving working conditions for MPs' staff.

We are developing proposals for changing the way we present our publication data to improve contextualisation and reduce the risk of misinterpretation.

We have several other tactical improvements planned, such as exploiting our existing technology and strengthening our already robust response to the threat of a cyber-attack. We will continue to review all of our processes, provide greater guidance and collaborate with the House of Commons to better induct and train MPs and their

staff on business and staffing costs and to establish best practice across all 650 MPs' offices. We will also review our approach to validating MPs' claims and look for efficiencies in the way we work when registering and amending property leases for MPs' offices and accommodation.

Internally, we are making strong progress in transforming our culture and ways of working, empowering people to make decisions, refining job families and skills aligned to our operating model. We'll also continue to focus on our equality, diversity and inclusion agenda to ensure we continue to recruit and retain a diverse workforce and ensure everyone has what they need to succeed.

Improving IPSA

Aside from our business as usual and tactical improvement work and following a pause to allow us to respond to the General Election, we continued our Improving IPSA programme. We created the Constituency Office proof-of-concept, working with a nationwide property agent to test whether we could centralise the search, negotiation and move in process for MPs in finding suitable office premises. The trial was good in parts, but did not deliver all the outcomes we wanted and feedback from MPs about service delivery was mixed. The market conditions made it difficult to find suitable, safe, secure, and affordable property, and following a period of reflection, we are now working on a modified offer.

Despite the election, we continued with the plan to build a prototype of the IPSA Online front-end portal to improve the user experience and reduce customer interactions with IPSA Online. The prototype proved that the portal could be built and developed on a low code, reasonable cost platform and users were happy with the product, having co-designed it with us. We are now expanding use to a live system, focused on reducing the time spent on the reimbursement process.

We also introduced principles-based regulation; a simpler, stronger approach that puts the onus of accountability with the MP. We are working with MPs and their staff, and IPSA staff, to build confidence in the new approach. This will be combined with a risk framework to enable us to increase our support to those offices who need it most, focusing on high risk spend and behaviours.

We continue to develop the provision of centralised goods and services, giving MPs access to quality goods and services without the need for them to shop around, still buy local where appropriate and remove the strain of administering their business costs. We are working on establishing small pilots to test and learn ahead of considering centralised services at scale.

We completed the People Strategy 2021-24 activity and have a revised strategy for the next three years. The seven people priorities built around a simple philosophy of engaging, empowering and enabling our people to have delivered a significant improvement in engagement, with 12 of the 15 dimensions of the survey scoring above 75%.

M. Events after the reporting period

There are no events after 31 March 2025 that require an adjustment to the financial statements and no non-adjusting events for which additional disclosure in the financial statements is required.

The Accounting Officer authorised these financial statements for issue on 10 July 2026 2026. The Accounting Officer based their authorisation, in part, on representations made by Ian Todd, the Accounting Officer until 23 September 2025.

2. Corporate Governance Report – the Statement of Accounting Officer's responsibilities

Under PSA 2009, HM Treasury directed IPSA to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction at Part IV.

The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of IPSA and its net resource outturn, changes in taxpayers' equity and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the FReM and, in particular to:

I. observe the Accounts Direction issued by HM Treasury, including the relevant accounting and disclosure requirements and apply suitable accounting policies on a consistent basis
II. make judgements and estimates on a reasonable basis
III. state whether applicable accounting standards as set out in the FReM have been followed and disclose and explain any material departures in the accounts, and
IV. prepare the accounts on a going-concern basis

In accordance with PSA 2009, as the Chief Executive, I am also the appointed Accounting Officer of IPSA. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable and for keeping proper records and for safeguarding IPSA's assets, are set out in Managing Public Money, published by HM Treasury and with which IPSA broadly complies.

As far as I, the Accounting Officer, know, there is no relevant audit information of which IPSA's auditors are unaware. As Accounting Officer, I have taken all the necessary steps and have sought assurance from the IPSA's management team. I have been informed of any relevant audit information and establish that IPSA's auditors are informed accordingly.

I take personal responsibility for the annual report and accounts and the judgements required for determining that they are fair, balanced, and understandable. I confirm that they meet these requirements.

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3. Governance Statement

Under PSA 2009, IPSA is a body corporate, independent of Government and Parliament with the Chief Executive as its Accounting Officer.

Ian Todd was appointed as the Chief Executive and Accounting Officer by IPSA's Board from 19 October 2020. Ian has departed IPSA and Karen Walker was appointed as Chief Executive and Accounting Officer on 24 September 2025.

Working with the IPSA Board and presenting IPSA's funding proposals to the SCIPSA, the Chief Executive has responsibility for maintaining effective governance and a sound system of internal control that supports the achievement of IPSA's policies, aims and objectives, while safeguarding public funds and assets.

A. Speaker's Committee for the IPSA (SCIPSA)

SCIPSA is responsible for considering and then recommending candidates for the posts of Chair of IPSA and members of the Board on the principle of fair and open competition. The candidates for these posts are then approved by the House of Commons and appointed by the Head of State.

The Committee also reviews the IPSA's annual estimate of the resources it needs, to ensure the estimate is consistent with the efficient and cost-effective discharge of the IPSA's functions before the estimate is laid before the House by the Speaker.

The Committee has a membership of 11. The Speaker, the Leader of the House of Commons and the chair of the Committee on Standards and Privileges are ex officio members, and five further members of the House of Commons are appointed by the House. In addition, three lay members are appointed by the House of Commons.

B. IPSA's Board

Arrangements for appointing IPSA's Board members are outlined in the SCIPSA section above.

The Board has overall responsibility for preparing and revising IPSA policy, including notably the Scheme, and setting MPs' pay and pensions.

C. Board membership changes

In 2024-25, IPSA became a member of the Boardroom Apprenticeship Programme run by the Ministry of Housing, Communities & Local Government. The programme aims to help those who would like to serve on a public or third-sector board to learn and gain experience.

John Midgley undertook a Boardroom Apprentice placement from 2 January 2024 to 28 September 2024. Andrea Spataro joined IPSA as a Boardroom Apprentice on 2 January 2025 on a year's placement.

D. IPSA Board members

Richard Lloyd

Richard Lloyd OBE joined the IPSA Board in December 2018. He became Interim Chair in October 2019 and was confirmed as Chair in September 2021. He is a non-executive director of the Financial Conduct Authority (FCA) and temporarily served as Interim Chair of the FCA from 1 June 2022 to 19 February 2023. He is also senior independent director of the Advertising Standards Authority. Richard's previous positions include:

- Executive Director, Which?
- Chief Executive, Consumers International
- Head of Policy, Shelter, and
- Special Adviser to the Prime Minister

He was awarded an OBE in 2019 for services to the economy and consumer rights.

Will Lifford

Will Lifford is a Yorkshire-based chartered accountant and a former Head of Audit at Grant Thornton and serves as Chair of IPSA's Audit and Risk Assurance Committee.

Since retiring, he has held several non-executive and trustee roles in the public and not-for-profit sectors, including as non-executive director of Entrust, the regulator of the Landfill Communities Fund, and Chair of both Yorkshire Housing and Martin House Children's Hospice.

He is currently a Board member of the Charity Commission for England & Wales.

Helen Jones

Helen Jones served as the MP for Warrington North from 1997 to 2019. She chaired the House of Commons Petitions Committee from 2015 to 2019 and had previously been an Opposition Spokesperson, senior Government Whip and Parliamentary Private Secretary.

Prior to entering the House, she worked as a solicitor, teacher and as a justice and peace officer in the Liverpool Archdiocese.

Helen chairs IPSA's People Committee.

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Lea Paterson

Lea Paterson CBE was until recently Executive Director, People and Culture, at the Bank of England. She is currently a Civil Service Commissioner and an Independent Member of the University of Warwick's Remuneration Committee.

Lea has previously held a number of senior management positions at the Bank of England, including Director of Independent Evaluation. She was also an Adviser to the Bank's Board in its review of ethnic diversity and inclusion.

Before working for the Bank of England, Lea worked as a journalist, as Economics Editor at *The Times* and previously at *The Independent*.

At the end of 2022, Lea was awarded a CBE in the annual New Year Honours list for services to the economy.

From March 2023, Lea has chaired the Improving IPSA Assurance Group (IIAG).

Lea was appointed as Chair of the Senior Salaries Review Body on 1 October 2024.

Dame Laura Cox

Dame Laura Cox served as a High Court Judge from 2002 until 2016, when she stood down from the Bench to enable her to pursue other interests and activities. She remains a Bencher of the Inner Temple and in 2019 she was awarded an Honorary Doctorate from Queen Mary, University of London for her contribution to the law.

Before her judicial appointment in 2002, Laura was in practice as a barrister for 25 years, specialising in equality and employment law. In 1995, she was elected as Head of Cloisters Chambers. She was appointed Queen's Counsel in 1994 and in December 2002 she received a 'Lifetime Achievement' award from the organisations 'Liberty' and 'Justice' for her commitment to equality and human rights over 25 years at the Bar.

In 1998 Laura was appointed as the British member of the International Labour Organisation's Committee of Independent Experts, one of the oldest and most respected United Nations supervisory bodies, a post she held for 15 years, monitoring ILO Member States' compliance with international labour and equality standards.

In 2013 she was elected as the Vice President of the United Kingdom Association of Women Judges, serving in that role until her retirement from the Bench. She was also an active member of the Judicial College, co-designing and chairing the cross-jurisdictional skills and ethics courses for courts and tribunals judges.

Since 2016, Laura has undertaken work for a variety of organisations in the areas of equality and human rights. She has also conducted several independent investigations or inquiries, including the Independent Inquiry into the Bullying and Harassment of House of Commons Staff, delivering her final report to the House in October 2018.

E. Board activity

The Board monitors and reviews the organisation's performance regularly, based on the management information briefings and commentaries which the Executive provides.

The Board receives regular management information papers from IPSA's Executive. These include the Chief Executive's Report, which contains an analysis of activities and performance, an outline of planned activities, and a finance paper comprising the management accounts and a review of financial activity.

The Board scrutinises the information with which it is provided and, to ensure it is acceptable, asks questions not only about the activities to which the information relates but also regarding the quality and reliability of the data itself.

The Board also receives a monthly update on IPSA's Transformation Programme and progress towards its goals. At quarterly intervals, the Board receives information on the latest customer service performance, including feedback and complaints, as well as updates from the Compliance Officer on investigations and referrals. In 2024-25, the Board received regular updates on IPSA's General Election activity.

Since 2023-24, the Board has received a revamped KPI dashboard designed to provide further detail and assurance as to IPSA's performance. The Board is satisfied the quality of the data available to it is acceptable.

The Board's main focus in 2024-25 was on ensuring that IPSA delivered on the objectives contained within its 2024 General Election project. The Board were satisfied that IPSA had provided a much-improved service for departing, new, and returned Members over the General Election period. Lessons learned have been documented and will be acted upon ahead of the next election.

As in each reporting year, the Board considered a number of complex regulatory questions within its remit, including approving an increase in the staffing, office, and accommodation budgets available to MPs for 2025-26. Following public consultation, the Board approved publication of a new Scheme for 2025-26, which contains

significant changes in line with IPSA's adoption of a principles-based regulatory framework and enabled the recognition of past service for MPs' staff.

Other crucial work included a review of the Board's risk appetite; consideration of a debt prevention strategy; the commissioning of a 'funding democracy' Green Paper; and a consultation on MPs' pay.

The Board met seven times in person in 2024-25, including for a strategy day, with four additional meetings held virtually, and two Board sub-group meetings to discuss the recognition of past service for MPs' staff and finalisation of the Scheme consultation document.

The Chief Executive, Directors, Chief of Staff, and Head of Policy also attended Board meetings.

F. The Audit and Risk Assurance Committee (ARAC) – scope of responsibility

The ARAC supports the Board's work and the Chief Executive in their role as Accounting Officer in maintaining effective governance, control and risk management arrangements. It assesses the executive's management of risk and the assurance framework in place and advises the Chief Executive on the framework's adequacy.

In 2024-25, membership of the ARAC included three Board members, Helen Jones, Lea Paterson, and Will Lifford, the member who is qualified to be a statutory auditor, as chair. This ensures the Committee has professional, qualified direction in matters relating to the consideration of IPSA's accounting, financial control, risk management and assurance arrangements.

Meetings of the ARAC were at various times shadowed by Dame Laura Cox and IPSA's Boardroom Apprentice. Since 15 June 2022, Richard Lloyd OBE, Chair of the Board, has not attended ARAC meetings, in order to ensure appropriate reporting, challenge, and assurance at Board level.

Together with representatives of IPSA's internal auditors RSM, the National Audit Office, and the Director of Finance, the Chief Executive is invited to attend ARAC meetings. The Committee is supported by the Head of Audit, Risk, and Assurance and the Chief of Staff.

The ARAC met three times during the reporting period.

In 2024-25, the Committee has focused on a range of reviews relating to key areas of IPSA's operations which have supported delivery of services to new and returning MPs

and measures introduced to ensure that we were able to effectively manage the impact of the General Election, alongside activity to assure that key processes and controls are operating effectively across finance and commercial functions. The Committee has also continued to focus on the resilience of our cyber-security defences and wider data protection measures. ARAC has reviewed IPSA's risk appetite and strategic risk register, supporting improvements in risk management, ensuring lessons are identified and learned and that the recommendations arising from internal audit reviews are implemented.

The Committee also reviews IPSA's strategic risks each quarter and has continued to conduct periodic deep dives into specific risks to enable appropriate strategic oversight and review.

The committee reviews all internal audit reports and discusses the plans and outcomes of internal and external audits.

G. The People Committee

Due to the postponement of meetings over the General Election period, the People Committee, chaired by Helen Jones, met once during 2024-25. The Committee is responsible for agreeing IPSA's remuneration policy and setting the remuneration of the Chief Executive, Compliance Officer, and IPSA's Directors. It also agrees the overall pay award for IPSA staff and wider people strategy. The Committee considers issues of diversity and inclusion, development, and culture and connectedness, particularly in the context of IPSA's permanent shift to hybrid working.

The Committee is chaired by Helen Jones and comprises herself, Richard Lloyd, and Lea Paterson with the Chief Executive, Director MP Services, Strategy & Change, Head of People, and Chief of Staff also invited unless conflicted under particular agenda items.

In 2024-25, the Committee reviewed pay and benchmarking for IPSA people, considered the Annual People Survey results, provided feedback on the draft 2025-28 People Strategy, and assessed the outcomes of the assurance report into hybrid working.

H. The Improving IPSA Assurance Group

The Improving IPSA Assurance Group (IIAG) met twice in 2024-25. IIAG is chaired by Lea Paterson CBE, with Richard Lloyd OBE, and Will Lifford comprising the remaining non-executive membership. The Chief Executive is also a permanent attendee, with Directors often invited to contribute and present. The Committee is supported by the Chief of Staff, meets quarterly, and is supplemented by informal workshop discussions as required.

The key objective of IIAG is to support the Chief Executive and team in providing appropriate assurance to the Board and key external stakeholders such as SCIPSA on the Improving IPSA project. Specifically, IIAG provides guidance and feedback on developing reports for the Board and external stakeholders that will build and maintain confidence in the project and its deliverables, including reporting of projected and actual resource costs for the project and its constituent workstreams, workstream/project progress against agreed milestones/targets, projected and realised benefits for the project and its constituent workstreams, and planned external communications to SCIPSA and other stakeholders about the project's progress. IIAG also provides an informal forum, as needed, for road-testing project updates and reports ahead of their presentation to the Board.

Decisions about project implementation and delivery, however, remain for the IPSA Programme Board (or, if sufficiently substantive, for the main IPSA Board).

Committee attendance

The attendance of each member at Board, ARAC, People Committee and IIAG meetings can be seen in the following table.

Member	Board	ARAC	People Committee	IIAG
Richard Lloyd *Chair*	7 (7)	N/A	1 (1)	2 (2)
Will Lifford *Audit and Risk Assurance Committee Chair*	7 (7)	3 (3)	N/A	2 (2)
Dame Laura Cox *Board member*	6 (7)	N/A	1 (1)	N/A
Lea Paterson *IIAG Chair*	7 (7)	3 (3)	1 (1)	2 (2)
Helen Jones *People Committee Chair*	7 (7)	3 (3)	1 (1)	1 (1)

Note:

[1] The figures in brackets are the number of meetings the member was eligible to attend.

I. IPSA's senior management

IPSA's Executive Leadership Team (ELT) is led by the Chief Executive, who is responsible for delivery in line with the policy direction set by the Board.

The directors of IPSA during 2024-25 were as follows:

Ian Todd, Chief Executive

Ian joined IPSA in October 2020. He was formerly Chief Executive of the Security Industry Authority and Deputy Director General at the Independent Office for Police Conduct.

He has also held several other board-level roles in professional regulation, including the health and legal sectors. Ian has also spent time in central government, including the Department for Education and the Cabinet Office.

He has extensive experience of dealing with the public in a frontline role as his first career was with the NHS ambulance service. During 15 years in the ambulance service, he was a qualified paramedic and held several roles to director level, including as part of the senior command team during the 7/7 London bombings.

Ian has departed IPSA and Karen Walker was appointed as Chief Executive on 24 September 2025.

Thomas Fitch, Director, Finance

Thomas has led IPSA's finance team since February 2022. He is responsible for leading the finance, payroll, and procurement functions to deliver taxpayer value for money.

Thomas draws on his experience working as a finance professional across a variety of public and private sector roles, including Imperial College London and the Department for Health and Social Care. He has driven better financial management across a variety of asset classes, including container ships and real estate.

Thomas trained as a chartered accountant at HM Treasury.

Karen Walker, Director, MP Services, Strategy & Change

Karen joined IPSA in August 2020. She spent 30 years in the customer services industry, gaining a wealth of experience spanning financial services, utilities, and telecoms at brands such as telephone and online bank First Direct, Centrica and Virgin Media.

She has a background in operational and change leadership, culture change, regulation, credit management and customer service excellence and is renowned for developing purposeful customer-centric cultures to drive advocacy and great customer outcomes, breaking down barriers to service excellence and customer retention.

Yorkshire born and bred, Karen is also a Non-Executive Director at the Bradford Teaching Hospitals NHS Foundation Trust where she is translating her keen interest and experience in people and customers into helping the Trust achieve great patient outcomes and service excellence.

Karen was appointed as Chief Executive on 24 September 2025, following the departure of Ian Todd.

Lee Bridges, Director, Policy & Engagement

Lee's teams are responsible for IPSA's policy development, its communications and engagement with the public and stakeholders, the publication policy and information governance across the organisation.

Lee joined IPSA from the House of Commons where he worked in several roles including in communications, Members' Services, and finance. Lee was the Senior Responsible Owner for the development of Parliament's Independent Complaints and Grievance Scheme which is there to tackle workplace harassment and bullying.

Prior to joining the House of Commons, Lee was one of the first clerks appointed to the new Scottish Parliament in 1998 and played a role in establishing the policies and procedures for the new legislature.

J. Risk management and assurance

Risk management

IPSA uses risk management to inform its business decisions, enable more effective use of resources, enhance strategic and business planning, and strengthen contingency arrangements.

The main risks to achieving IPSA's corporate objectives are set out in a strategic risk register. The composition of the strategic risk register has been regularly reviewed and revised where appropriate. All risks which have featured on IPSA's strategic risk register during 2024-25 are set out in the table below.

The strategic risk register sets out the controls aimed at managing the risks and any additional measures required to bring risks down to a target level based on IPSA's risk appetite. Each risk has a designated owner who is a director and is accountable for implementing appropriate and proportionate control measures. The register is reviewed regularly by the Executive Leadership Team, Directors and as a standing item by the Audit and Risk Assurance Committee.

Systems to identify, evaluate and manage risk have been in place throughout the year and up to the date of approval of the accounts.

Main risks identified and action taken

Risk area	Key actions and issues in the year
Cyber-attack	Managing the risk of a successful cyber-attack has continued to be a priority focus of risk management during 2024-25, with IPSA's risk appetite relating to cyber-attack remaining averse. The nature of the risk landscape presents significant challenges for any organisation and the capability of hostile state-sponsored attack on high profile UK targets such as IPSA is a reality. The IT team have continued to implement additional and enhanced technical controls to mitigate risks, and over the General Election period IPSA successfully retained its Cyber Essentials Plus certification. This supplements IPSA's extensive programme of staff awareness and testing across the organisation to embed cyber-security awareness culturally. IPSA continues to regularly review emerging threats and defences to ensure that when new technologies become available these are considered as part of our cyber-security position. Internal policies are regularly reviewed to ensure that they align to the current risk landscape. Monthly automated penetration testing discovered only informational findings, which were resolved within one working day of the findings. The IT team continue to liaise with vendors to develop appropriate and proportionate Continuous Threat Exposure Management (CTEM) solutions and derive additional assurance around third party security.
Data loss	IPSA is acutely aware of its obligation to safeguard and use appropriately the information it holds about its MPs and their staff and IPSA staff. IPSA has a range of controls in place to manage risks which could result in the loss of data, including regular staff awareness training. The information governance framework has been reviewed and refreshed during 2024-25 by the Data Protection Officer to ensure that policies and procedures reflect best practice and a programme of assurance work is being developed which will be conducted during 2025-26.

Risk area	Key actions and issues in the year
Reputation with stakeholders	The primary drivers associated with this risk are linked to other key risks including poor delivery of services, technology and system failures, and our approach to regulation being negatively perceived. IPSA will manage this risk through a series of communications and engagement activities linked to the introduction principles-based regulation and new services which will provide enhanced support to MPs and their staff. During 2024-25 the political environment focused on the outcome of the General Election. During the election period MP and MP staff communications were revamped. The Autumn 2024 consultation included recommendations to adjust our approach to publishing data, and IPSA has continued to monitor developments and be responsive to MP and MP staff concerns. We have developed a new engagement strategy which has improved our understanding of customer issues, and a revised external communications strategy focuses on tackling reputational risk and raising awareness of IPSA's role in promoting trust in democracy.
Improving IPSA Programme Delivery	As noted above, IPSA configured a transformation programme focusing on improving the service it provides to MPs and how it regulates the funding it provides. IPSA is aware of the delivery risks associated with such programmes and has governance, control, and risk management arrangements in place. The programme's progress and achievements are monitored by the Executive Leadership Team and regularly reviewed by the Board via the Improving IPSA Assurance Group.
Delivery of business objectives	IPSA recognises the importance of providing a good service in managing the risk to deliver its business objectives. The initiatives which have focused on enhancing overarching performance and delivery of KPIs have continued to deliver improvements throughout 2024-25. There is a substantial amount of data and information available showing controls are being implemented and are operating effectively. IPSA's performance during the General Election has been strong across all areas. An additional layer of organisational resilience has also been built into our operating model through cross training our people. The progress evidenced has enabled IPSA to further reduce the residual risk rating in this area.

Risk area	Key actions and issues in the year
People	The People risk was incorporated on the strategic risk register in March 2023. The Senior Leadership Team and ARAC recognised a number of contributory factors including shifts in the UK labour market post-COVID, IPSA's move to hybrid working, and higher than anticipated staff attrition rates. Capacity, capability and resilience risks linked to the General Election period which triggered a material increase in IPSA's workload across a number of functional and operational areas were also identified. Management introduced a number of measures during 2024-25 which have yielded results and delivered a positive impact. Absences are low and have remained low for the last 3 years with no increase evidenced throughout the pressure of the General Election. Single points of failure have been removed, and resilience of capacity and capability has been built through cross skilling for the General Election. Grow Our People KPIs are positive across a range of factors including health and wellbeing, engagement and belonging. A number of ongoing actions to reduce the risk further including the implementation of the people strategy action plan; work on succession planning; further leadership training; and regular salary benchmarking exercises will increase the resilience of the organisation to manage people related risks.
Changes in the external environment	IPSA is strengthening the way that it monitors the external environment to enable it to be ready to take advantage if any opportunities outside IPSA present and to mitigate any foreseeable disadvantages. This risk was reviewed by ARAC where it was accepted that overall, the external environment within which IPSA operates was becoming increasingly challenging as a result of the way politics is perceived and the recent General Election. A significant amount of mitigating activity is already in place, primarily relating to improving collaboration and engagement across the political sphere, ensuring IPSA has sufficient capacity and capability to manage a complex set of stakeholders and ensuring that horizon scanning is working adequately and is supported by an effective business continuity response capability. Further mitigating actions are in place focusing on wider strategic change activity across IPSA.

Risk area	Key actions and issues in the year
Supporting Trust in Democracy	This was formally incorporated into the strategic risk register in December 2023. The contributing factors include issues associated with inadequate understanding of IPSA's role in regulating MP funding and misconceptions about what can be claimed; lack of communications and engagement to provide a clear narrative about the purpose of funding; the potential for media stories and Board decisions to be perceived as lax regulation or loosening of the regulatory framework regulation of MP funding; and MP pay decisions being seen as out of touch with the public's experiences. There are mitigations around effective relationship management with stakeholders, developing more innovative approaches to social media use and regular public sentiment analysis which have been implemented. There are also actions around reviewing capacity and enhancing IPSA's strategic approach communications.

Internal audit

A review of the model to deliver IPSA's internal audit service was undertaken during 2023-24 and a decision was made to move to a co-source delivery model from April 2024 led by the Head of Audit, Risk and Assurance. The Internal Audit and Assurance Team plans were combined into a single programme of activity with much of the work delivered by an in-house team, supported by resources provided by a commercial partner as and when required.

Six internal audits were carried out in 2024-25 alongside reviews to assess the effectiveness of actions put in place by management to implement recommendations arising from previous internal audit reports.

Areas covered included measures put in place to manage the impact of Boundary Changes, use of the faster payments service to make urgent reimbursement payments, financial controls over payments to suppliers who provide routine goods and services to MPs via IPSA-approved contracts, management and recovery of debt and an assessment of the effectiveness of measures put in place to mitigate cyber security risks and information security risks in response to previous internal audit reports.

Overall, the Head of Internal Audit's opinion as of June 2025, from the work carried out, was that IPSA has an adequate and effective framework for risk management, governance, and internal control. Internal Audit's work identified further enhancements to the framework to ensure that it remains adequate and effective.

Data and information security

The Director of Policy and Engagement operates as the Senior Information Risk Owner and advises the Chief Executive on the effectiveness with which IPSA manages the risks associated with the information it controls and processes.

Each senior manager involved in running key IPSA processes has responsibility for managing the risks associated with their information assets, as an Information Asset Owner (IAO).

The Data Protection Officer (DPO) has created an Information Asset Register and is updating IPSA's Register of Processing Activity. As part of continuing project work relating to Information Assets and Records Management, the DPO will ensure that IAOs are aware of their responsibilities and receive appropriate training.

Further information on the work carried out during the past year is in the Data Protection paragraph on "During 2024-25 we undertook the following activities to strengthen and develop our data security and information governance framework:" on page 15.

K. Corporate Governance Code

The Corporate Governance Code (the Code) issued by HM Treasury and the Cabinet Office is designed specifically for central government departments.

It is essential that IPSA upholds the highest standards in its operations.

IPSA is compliant with the material requirements of the Code where they are relevant to its statutory position, in most cases complying with both the letter and the spirit of the Code's provisions.

Where the requirements of the PSA 2009 differ from the Code, IPSA will always seek to comply with the Act, which reflects the wishes of Parliament.

L. Assessment of effectiveness

By relying on the arrangements described above, as Chief Executive I can assess the effectiveness of the control environment in place to ensure the resources for which I am responsible are subject to sound management and control.

The assessment of the governance, risk management and internal controls in place has also been informed by:

- an assurance statement from each director confirming the adequacy of the controls within their areas of responsibility. No control issues have been raised in the directors' statements
- IPSA's management assurance processes under the internal control framework, including regular reports from the Head of Audit, Risk and Assurance
- the independent work completed by internal audit and the opinion provided by the Head of Internal Audit
- comments made by the Comptroller and Auditor General, Head of the National Audit Office, as our external auditor in their management letter and other reports

M. Whistleblowing

IPSA adheres to the whistleblowing policy that is applicable to Civil Servants, including adherence to the Civil Service Code. Information regarding this policy is available for all staff on IPSA's intranet site. The Audit and Risk Assurance Committee is informed at the start of every meeting if any whistleblowing cases have been raised. In 2024-25 there were no such cases.

Overall, evidence was considered that supports this Governance Statement, including from IPSA's governance structures and the independent advice provided by the Audit and Risk Assurance Committee.

4. Remuneration and staff report

A. Remuneration policy

The following information provides details of the remuneration and pension interests of IPSA's Board members, IPSA's directors and the Lay members of SCIPSA.

IPSA's policy is to:

- remunerate staff at a level that is fair and allows the organisation to recruit, retain and motivate high-performing individuals
- assess relevant benchmarks and market conditions
- ensure that salaries are proportionate to the appropriate skills and experience, taking account of the needs of the organisation as a whole and individual roles
- measure performance (in the case of senior staff)
- consider transparency, fairness, public acceptability, value for money and affordability

IPSA aims to pay staff within 10% of a benchmarked median pay rate in accordance with this policy.

Chief Executive

Ian Todd held the post of Chief Executive from 19 October 2020 to 23 September 2025, throughout the period covered by this report.

The IPSA Board and People Committee determine the Chief Executive's salary.

Chair and Board members

The Speaker determines the daily rate for the members of the IPSA Board which were set in April 2022 at £800 for the Chair and £500 for ordinary members.

The remuneration for the Chair and Board members is non-pensionable. Board members are reimbursed on the presentation of timesheets setting out hours spent on IPSA business.

The anticipated time commitment from IPSA Chair is up to ten days per month and from the ordinary Board members two to three days per month, but greater commitment may be needed at certain times.

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IPSA staff

The PSA 2009 provides that the remuneration and other terms and conditions of the Chief Executive and their staff should broadly be kept in line with those in the Civil Service.

IPSA directly employs staff from across each of the UK nations on either permanent or fixed-term contracts.

The remuneration of all Executive Directors is determined by the People Committee of the Board.

Lay members of the Speaker's Committee for IPSA (SCIPSA)

IPSA is responsible for paying the Lay members of SCIPSA.

The Lay members appointed under the PSA 2009 are not employees of IPSA.
The Lay members are paid at a rate of £300 per day.

B. Remuneration (including salary) and pension entitlements

The following table provides details of the remuneration and pension interests of IPSA's Chair, Board members and directors, and of the Lay members of SCIPSA.

Disclosure of IPSA Chair and Board members' remuneration (audited)

Name	Appointed	End-date	Remuneration £'000		Benefits-in-kind [1][2] £'000		Total £'000	
			2024-25	2023-24	2024-25	2023-24[5]	2024-25	2023-24
Richard Lloyd: **Chair**	01/09/21	31/08/26	50-55	55-60	-	0.6	50-55	55-60
Helen Jones: **Board member**	01/01/21	31/12/25	0-5	5-10	3.3	4.7	5-10	10-15
William Lifford: **Board member**	11/01/23	10/01/26	5-10	10-15	1.5	4.9	5-10	15-20
Lea Paterson: **Board member**	14/03/22	14/03/27	0-5	10-15	0.2	0.4	5-10	10-15
Dame Laura Cox: **Board member**[3]	01/08/23	31/07/28	0-5	5-10	0.8	0.4	5-10	5-10
Sir Robert Owen: **Board member**[4]	01/01/16	26/04/23	-	0-5	-	0.3	-	0-5

Notes:

[1] The benefits-in-kind are sums reimbursed for the costs (travel, accommodation, and telephone costs) incurred by the members in carrying out their Board responsibilities. The figures have been grossed up to include the tax element covered by IPSA.

[2] Both 2024-25 and 2023-24 figures have been rounded to the nearest £100.

[3] Dame Laura Cox was appointed to the Board on 1 August 2023 for a period of five years. The remuneration disclosed for 2023-24 relates to her work from 1 August 2023 to 31 March 2024.

[4] Sir Robert Owen left the Board on 26 April 2023, having given over seven years of service.

[5] 2023-24 comparatives have been updated from those published in 2023-24 to reflect the HMRC PAYE Settlement Agreement (PSA) received, which slightly changed the Tax and National Insurance payable elements on the benefits-in-kind.

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Disclosure of IPSA CEO and directors' remuneration (audited)

Name	Salary £'000		Bonus £'000[1]		Pension benefits £'000[2]		Total £'000	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
Ian Todd: **CEO**	160-165	150-155	0-5	-	62	59	220-225	210-215
Thomas Fitch: **Director of Finance**	120-125	115-120	0-5	-	46	45	165-170	160-165
Karen Walker: **Director of MP Services, Strategy and Change**	120-125	115-120	0-5	-	48	45	170-175	160-165
Lee Bridges: **Director of Policy and Engagement**	120-125	115-120	0-5	-	48	45	170-175	160-165

Notes:

[1] The bonus reflects a one-off non-consolidated award of £500 given to all employees of IPSA to recognise the additional work undertaken as part of the 2024 General Election.

[2] The pension benefits are actuarial figures provided by MyCSP, the Civil Service Pension provider and represent notional benefits earned in the last year. The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increases exclude increases due to inflation or any increase or decreases due to a transfer of pension rights. Pensions benefits movements are affected by the duration of membership and earnings during this time and contain an actuarial calculation.

Salary

Salary includes gross salary, overtime, reserved rights to London weighting or London allowances, recruitment and retention allowances, and any other allowance to the extent that it is subject to UK taxation. This report is based on accrued payments made by IPSA and thus recorded in these accounts.

Benefits-in-kind

The monetary value of benefits-in-kind covers any benefits provided by IPSA and is treated by HM Revenue and Customs as a taxable emolument.

During the year to 31 March 2025, benefits-in-kind totalling £5,795 (2023-24: £11,409) were given to the Chair and Board members. Benefits-in-kind totalling £1,460 were paid

to SCIPSA Lay members (2023-24: £Nil). There were no benefits-in-kind paid to the CEO or Directors (2023-24: £Nil)

Bonuses

There is no bonus system in operation at IPSA. IPSA runs an individual and team Reward & Recognition (R&R) scheme that recognises those who support IPSA's values, enhance its image, or deliver extraordinary service to its users or outstanding pieces of work with individual awards totalling no more than £250.

During 2024-25, all employees of IPSA received a one-off non-consolidated award of £500 to recognise the additional work undertaken as part of the 2024 General Election.

Senior staff members

The full-time equivalent bandings of the senior staff members of IPSA are as follows.

Senior staff salary bands

	Number of individuals in banding	
Remuneration banding	2024-25	2023-24
£95,000 – £100,000	-	-
£100,001 – £105,000	-	-
£105,001 – £110,000	-	-
£110,001 – £115,000	-	-
£115,001 – £120,000	-	3
£120,001 – £125,000	3	-
£125,001 – £130,000	-	-
£130,001 – £135,000	-	-
£135,001 – £140,000	-	-
£140,001 – £145,000	-	-
£145,001 – £150,000	-	-
£150,001 – £155,000	-	1
£155,001 – £160,000	-	-
£160,001 – £165,000	1	-
Total	**4**	**4**

Disclosure of SCIPSA Lay members' remuneration (audited)

Name	Appointed	End Date	Total remuneration £'000	
			2024-25	2023-24
Tina Fahm[1] **Lay Member**	06/05/24	05/05/29	0-5 (FYE 0-5)	-
Peter Blausten **Lay Member**	27/01/20	26/01/25	-	-
Theresa Middleton CBE **Lay Member**	27/01/22	26/01/27	0-5	0-5
Cindy Butts[1] **Lay Member**	01/03/19	29/02/24	-	0-5

Note:

[1] Cindy Butts ceased being a Lay Member of SCIPSA on 29 February 2024. Tina Fahm was appointed as her replacement on 6 May 2024 for a term of five years.

C. Fair pay disclosures

This section has been subject to audit. Reporting bodies are required by the Government Financial Reporting Manual (FReM) to disclose the relationship between the remuneration of the highest-paid director in their organisation and the median remuneration of the organisation's workforce.

Total remuneration includes salary, non-consolidated performance-related pay, and benefits-in-kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

The banded remuneration of the highest-paid director in IPSA in the financial year 2024-25 was £160,000-£165,000 (2023-24: £150,000 – £155,000), being a 6.6% change from 2023-24. This was 4.13 (2023-24: 4.14) times the median full-time equivalent remuneration of the workforce, which was £39,314 (2023-24: £37,019). The median full-time equivalent remuneration of the workforce increased by 6.2% from 2023-24.

In 2024-25, no employee received remuneration above the highest-paid director (2023-24: nil). Full-time equivalent remuneration ranged from £23,000 to £162,000 (2023-24: £22,000 to £155,000). The average percentage change in total remuneration from the previous financial year for all IPSA employees (excluding the highest-paid director) was an increase of 4% (2023-24: 0.2%).

Pay ratios against the highest-paid director

	Ratio		Total pay & benefits (£)		Salary component (£)	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
25th Percentile[1]	4.91	4.92	33,070	31,139	33,070	31,139
Median[1]	4.13	4.14	39,314	37,019	39,314	37,019
75th Percentile[1]	3.06	3.06	53,153	50,025	53,153	50,025
Band of the highest-paid director	-	-	160,000-165,000	150,000-155,000	160,000-165,000	

Note:

[1] The pay ratios relate to the employees who are on the 25th, 50th (median) and 75th percentile of pay and benefits.

D. Pension information for directors

The figures given below have been supplied by My Civil Service Pension (MyCSP), the pension administrator for IPSA staff.

Pension benefits of senior staff members (audited)

Name	Accrued pension at pension age as at 31 March 2025 (and related lump sum)	Real increase in pension and related lump sum at pension age	CETV[1][2] at start date 1 April 2024	CETV at end date 31 March 2025	Real increase in CETV funded by employer
	£'000	£'000	£'000	£'000	£'000
Ian Todd	45-50	2.5-5	653	760	41
Thomas Fitch	5-10	2.5-5	61	97	22
Karen Walker	10-15	2.5-5	152	209	34
Lee Bridges	30-35	2.5-5	445	527	34

Notes:

[1] CETV = Cash Equivalent Transfer Value (see page 66)

[2] Any members affected by the Public Service Pensions Remedy were reported in the 2015 scheme for the period between 1 April 2015 and 31 March 2022 in 2023-24 but are reported in the legacy scheme for the same period in 2024-25.

Civil Service Pensions

Pension benefits are provided through the Civil Service pension arrangements. Before 1 April 2015, the only scheme was the Principal Civil Service Pension Scheme (PCSPS), which is divided into a few different sections – classic, premium, and classic plus provide benefits on a final salary basis, while nuvos provides benefits on a career average basis. From 1 April 2015 a new pension scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme or alpha, which provides benefits on a career average basis. All newly appointed civil servants, and the majority of those already in service, joined the new scheme.

The PCSPS and alpha are unfunded statutory schemes. Employees and employers make contributions (employee contributions range between 4.6% and 8.05%, depending on salary). The balance of the cost of benefits in payment is met by monies voted by Parliament each year. Pensions in payment are increased annually in line with the Pensions Increase legislation. Instead of the defined benefit arrangements, employees may opt for a defined contribution pension with an employer contribution, the partnership pension account.

In alpha, pension builds up at a rate of 2.32% of pensionable earnings each year, and the total amount accrued is adjusted annually in line with a rate set by HM Treasury. Members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004. All members who switched to alpha from the PCSPS had their PCSPS benefits 'banked', with those with earlier benefits in one of the final salary sections of the PCSPS having those benefits based on their final salary when they leave alpha.

The accrued pensions shown in this report are the pension the member is entitled to receive when they reach normal pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over normal pension age. Normal pension age is 60 for members of classic, premium, and classic plus, 65 for members of nuvos, and the higher of 65 or State Pension Age for members of alpha. The pension figures in this report show pension earned in PCSPS or alpha – as appropriate. Where a member has benefits in both the PCSPS and alpha, the figures show the combined value of their benefits in the two schemes but note that the constituent parts of that pension may be payable from different ages.

When the Government introduced new public service pension schemes in 2015, there were transitional arrangements which treated existing scheme members differently based on their age. Older members of the PCSPS remained in that scheme, rather than moving to alpha. In 2018, the Court of Appeal found that the transitional arrangements

in the public service pension schemes unlawfully discriminated against younger members (the 'McCloud Judgement').

As a result, steps are being taken to remedy those 2015 reforms, making the pension scheme provisions fair to all members. The Public Service Pensions Remedy[1] is made up of two parts. The first part closed the PCSPS on 31 March 2022, with all active members becoming members of alpha from 1 April 2022. The second part removes the age discrimination for the remedy period, between 1 April 2015 and 31 March 2022, by moving the membership of eligible members during this period back into the PCSPS on 1 October 2023.

The accrued pension benefits, Cash Equivalent Transfer Value and single total figure of remuneration reported for any individual affected by the Public Service Pensions Remedy have been calculated based on their inclusion in the PCSPS for the period between 1 April 2015 and 31 March 2022, following the McCloud judgement. The Public Service Pensions Remedy applies to individuals that were members, or eligible to be members, of a public service pension scheme on 31 March 2012 and were members of a public service pension scheme between 1 April 2015 and 31 March 2022. The basis for the calculation reflects the legal position that impacted members have been rolled back into the PCSPS for the remedy period and that this will apply unless the member actively exercises their entitlement on retirement to decide instead to receive benefits calculated under the terms of the alpha scheme for the period from 1 April 2015 to 31 March 2022.

The partnership pension account is an occupational defined contribution pension arrangement which is part of the Legal & General Mastertrust. The employer makes a basic contribution of between 8% and 14.75% (depending on the age of the member). The employee does not have to contribute but, where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.5% of pensionable salary to cover the cost of centrally provided risk benefit cover (death in service and ill health retirement).

Further details about the Civil Service Pension arrangements can be found on the Civil Service Pension Scheme website.

1 https://www.gov.uk/government/collections/how-the-public-service-pension-remedy-affects-your-pension

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Cash Equivalent Transfer Values (CETV)

A CETV is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time.

The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme.

A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued due to their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the Civil Service Pension arrangements. They also include any additional pension benefit accrued to the member due to their buying additional pension benefits at their own cost.

CETVs are worked out in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

Real increase in CETV

This reflects the increase in CETV that the employer funds. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

E. Staff and other pay costs report

The following disclosures on staff costs, the average number of persons employed and exit packages have been subject to audit.

Staff and other pay costs (audited)

	2024-25					2023-24
	Permanent staff[1]	Agency staff & Contractors	Chair & IPSA Board	SCIPSA Lay members	Total	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Wages and salaries	5,295	-	76	3	5,374	4,731
Social security costs	597	-	7	-	604	486
Other pension costs	1,325	-	-	-	1,325	1,198
Agency staff & Contractors	-	30	-	-	30	64
Sub total	**7,217**	**30**	**83**	**3**	**7,333**	**6,479**
Secondment Income	-	-	-	-	-	(29)
Total net costs	**7,217**	**30**	**83**	**3**	**7,333**	**6,450**

Note:

[1] The permanent staff costs include the Compliance Officer's remuneration for the IPSA (annual salary range £30,000 to £35,000).

The Principal Civil Service Pension Scheme (PCSPS) and the Civil Servants and Others Pension Scheme (CSOPS) – known as *alpha* – are unfunded multi-employer defined benefit schemes in which IPSA is unable to identify its share of the underlying assets and liabilities.

The scheme actuary valued the PCSPS as of 31 March 2020.

Details can be found in the Accounts of the Cabinet Office: Civil Superannuation.

For 2024-25, employer's contributions of £1,325,000 were payable to the Civil Service Pension schemes (2023-24: £1,198,000) at the rate of 28.97% (2023-24: 26.6% to 30.3%) of pensionable pay, based on salary bands.

The scheme's Actuary reviews employer contributions every four years following a full scheme valuation. The contribution rates are set to meet the cost of the benefits

accruing during 2024-25 to be paid when the member retires and not the benefits paid during this period to existing pensioners.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. There are two employees with partnership pension schemes.

Average number of persons employed and staff composition

The average number of full-time equivalent (FTE) persons employed at IPSA during the period was as per the table below. The average was calculated as the average of people in the post by month over the 12 months to 31 March 2025. The gender analysis of the full-time equivalent persons was as follows.

Gender analysis of the full-time equivalent persons (total numbers audited excluding gender split)

	Average 2024-25 FTE						
	Permanent staff	Agency staff	Fixed Term staff	Total IPSA staff	Chair & IPSA Board	Compliance Officer	SCIPSA Lay members
Male	39	-	1	**40**	2	1	1
Female	58	-	2	**60**	3	-	2
Total	**97**	**-**	**3**	**100**	**5**	**1**	**3**

	Average 2023-24 FTE						
	Permanent staff	Agency staff	Fixed Term staff	Total IPSA staff	Chair & IPSA Board	Compliance Officer	SCIPSA Lay members
Male	39	-	2	**41**	2	1	1
Female	57	-	-	**57**	3	-	2
Total	**96**	**-**	**2**	**98**	**5**	**1**	**3**

IPSA's staff turnover rate (calculated as the number of staff who left the organisation divided by the average number of staff for the year) was 11% (2023-24: 16.2%). The turnover rate is mostly due to staff leaving to obtain career progression opportunities.

Reporting of Civil Service and other Compensation Schemes – Exit packages (audited)

	Number of voluntary departures agreed	
Exit package cost band	2024-25	2023-24
<£10,000	1	-
£10,000 – £25,000	-	-
£25,001 – £50,000	2	-
£50,001 – £75,000	1	-
£75,001 – £100,000	-	1
£100,001-£150,000	-	-
£150,001-£200,000	1	-
Total number of exit packages	**5**	**1**
Total cost (£'000)	**300**	**94**

Redundancy and other departure costs have been paid in accordance with the provisions of the Civil Service Compensation Scheme, a statutory scheme made under the Superannuation Act 1972.

Exit costs are accounted for in the year that they are agreed. Where the organisation has agreed on early retirements, the additional costs are met by IPSA and not by the Civil Service Pension scheme.

Ill-health retirement costs are met by the pension scheme and are not included in the table.

Reward & Recognition Scheme

IPSA runs an individual and team Reward & Recognition (R&R) scheme, which gives recognition to those who support IPSA's values, enhance its image, or deliver extraordinary service to its users or outstanding pieces of work.

There was one R&R award during the reporting period, with a total value of £250 (2023-24: four awards during the period, with a total value of £1,645).

Sickness absence

Over the 2024-25 financial year, the sickness absence rates within IPSA (monitored monthly) were on average 0.9% (2023-24: 2.9%).

People policies

All posts with IPSA must be advertised in internal and external media to ensure we comply with our Equality and Diversity policy. Certain exceptions may apply for internal recruitment, such as:

- temporary/fixed term posts of six months' duration or less
- when employees whose fixed-term contracts of employment are ending are offered a permanent post to avoid a redundancy situation
- where there is a risk of a redundancy situation

We are committed to equality of opportunity and fair and equitable treatment of current and potential employees, recruiting on merit through fair and open competition. Equal opportunities and anti-discrimination measures are promoted throughout the recruitment and selection process to ensure no bias in assessing candidates. The selection process is objective, impartial, and applied consistently.

Learning and development help us to enable performance excellence and skills development, and through regular development conversations our people are empowered to develop their careers. A regular learning needs analysis helps us assess organisation-wide development needs aligned to our Corporate Plan.

We ensure that we remove any barriers and prevent disadvantage to our people who may benefit from alteration or reasonable adjustment and through equality impact assessments we ensure that our activity is based on the fair and equitable treatment of all IPSA employees.

Trade union and employee consultation

We collaborate with a Trade Union representative (PCS Union) on relevant matters, as appropriate. No activity necessitated formal employee consultation during 2024-25.

Consultancy expenditure

In 2024-25 IPSA spent £419,000 on consultancy and advice services (2023-24: £403,000). This was made up of:

- organisational redesign work: £193,000
- work on the McCloud implementation project: £112,000
- system maintenance and continuous improvement programme: £24,000
- work on the creation of Green Paper: £90,000

Agency and off-payroll engagements

Between 1 April 2024 and 31 March 2025, IPSA did not engage any staff on an interim basis via an agency.

There were no off-payroll engagements in 2024-25.

There were no off-payroll engagements of Board members or senior officials with significant financial responsibility between 1 April 2024 and 31 March 2025.

There were no highly paid off-payroll worker engagements as at 31 March 2025, earning £245 per day or greater.

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5. Parliamentary Accountability and Audit Report

A Statement of Outturn against Parliamentary Supply

In addition to the primary statements prepared under IFRS, the Government Financial Reporting Manual (FReM) requires IPSA to prepare a Statement of Outturn against Parliamentary Supply (SoPS) and supporting notes to show resource outturn against the Supply Estimate presented to Parliament, in respect of each budgetary control limit.

The SoPS and related notes are subject to audit as detailed in the Certificate and Report of the Comptroller and Auditor General to the House of Commons.

The SoPS is a key accountability statement that shows, in detail, how an entity has spent against their Supply Estimate.

Supply is the monetary provision (for resource and capital purposes) and cash (drawn primarily from the Consolidated Fund), that Parliament gives statutory authority for entities to utilise.

The Estimate details supply and is voted on by Parliament at the start of the financial year. Should an entity exceed the limits set by their Supply Estimate, called control limits, their accounts will receive a qualified opinion.

The format of the SoPS mirrors the Supply Estimates, published on gov.uk, to enable comparability between what Parliament approves and the final outturn.

The SoPS contain a summary table, detailing performance against the control limits that Parliament have voted on, cash spent (budgets are compiled on an accruals basis and so outturn will not exactly tie to cash spent) and administration.

The SoPS and Estimates are compiled against the budgeting framework, which is similar but distinct from IFRS.

An understanding of the budgeting framework and an explanation of key terms is provided on page 20, in the Financial Review section of the Performance Report.

Further information on the public spending framework and the reasons why budgeting rules are different to IFRS can also be found in chapter 1 of the Consolidated Budgeting Guidance, available on gov.uk.

The SoPS provides a detailed view of financial performance, in a form that is voted on and recognised by Parliament.

The Financial Review, in the Performance Report, provides a summarised discussion of outturn against estimate and functions as an introduction to the SoPS disclosures.

The supporting notes detail the following:

- Outturn by Estimate line, providing a more detailed breakdown (note 1)
- a reconciliation of outturn to net operating expenditure in the Statement of Comprehensive Net Expenditure (SoCNE), to tie the SoPS to the financial statements (note 2)
- a reconciliation of outturn to net cash requirement (note 3)
- an analysis of income payable to the Consolidated Fund (note 4)

Summary of Resource and Capital Outturn 2024-25

		2024-25					2023-24
Type of Spend	SoPS Note	Outturn		Estimate		Outturn vs Estimate: saving/ (excess)	Outturn total
		Voted	Total	Voted	Total	Voted	Total
		£'000	£'000	£'000	£'000	£'000	£'000
Departmental Expenditure Limit							
Resource	1.1	308,501	308,501	312,617	312,617	4,116	244,033
Capital	1.2	52	52	271	271	219	466
Annually Managed Expenditure							
Resource	1.1	3,013	3,013	7,450	7,450	4,437	(17)
Capital	1.2	-	-	-	-	-	-
Total Budget		**311,566**	**311,566**	**320,338**	**320,338**	**8,772**	**244,482**
Total Resource	1.1	311,514	311,514	320,067	320,067	8,553	244,016
Total Capital	1.2	52	52	271	271	219	466

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Net Cash Requirement 2024-25

	2024-25				2023-24
	SoPS Note	Outturn	Estimate	Outturn vs Estimate: saving/ (excess)	Outturn total
		£'000	£'000	£'000	£'000
Net Cash Requirement	3	306,181	312,364	6,183	242,825

Notes:

1 Figures in the areas outlined in bold are voted totals or other totals subject to Parliamentary control.

2 Explanations of variances between Estimate (budget) and Outturn (actual spend) are on page 24.

3 For Estimate purposes, all IPSA's income and expenditure are classified as Programme.

4 IPSA has no Non-Voted Expenditure.

Notes to the Statement of Outturn against Parliamentary Supply, 2024-25

SoPS1 Outturn detail, by Estimate line

SoPS1.1 Analysis of resource outturn by Estimate line

	2024-25 £'000							2023-24 £'000
Type of spend (Resource)	Outturn			Estimate				Outturn total
	Programme							
Spending in Departmental Expenditure Limit (DEL) *Voted:*	**Gross**	**Income**	**Net**	**Total**	**Virements**	**Total including Virements**	**Outturn vs Estimate: saving/ (excess)**	**Outturn total**
A. MPs' Pay, staffing, business costs and expenses	242,665	-	242,665	247,896	(1,330)	246,566	3,901	233,138
B. IPSA operations (core costs)	11,739	-	11,739	11,954	-	11,954	215	10,895
C. General Election costs	54,177	(80)	54,097	52,767	1,330	54,097	-	-
Voted Departmental Expenditure	**308,581**	**(80)**	**308,501**	**312,617**	**-**	**312,617**	**4,116**	**244,033**
Spending in Annually Managed Expenditure (AME) *Voted:*								
D. Provisions and Impairments	3,013	-	3,013	7,450	-	7,450	4,437	(17)
Voted Annually Managed Expenditure	**3,013**	**-**	**3,013**	**7,450**	**-**	**7,450**	**4,437**	**(17)**
Total	**311,514**	**(80)**	**311,514**	**320,067**	**-**	**320,067**	**8,553**	**244,016**

The total Estimate columns include virements. Virements are the reallocation of provision in the Estimates that do not require parliamentary authority (because Parliament does not vote to that level of detail and delegates to HM Treasury). Further information on virements is provided in the Supply Estimates Manual, available on gov.uk. The outturn vs estimate column is based on the total including virements. The estimate total before virements have been made is included so that users can tie the estimate back to the Estimates laid before Parliament.

SoPS1.2 Analysis of capital outturn by Estimate line

2024-25 £'000						2023-24 £'000
Type of spend (Capital)	**Outturn**			**Estimate**		**Outturn total**
	Programme					
Spending in Departmental Expenditure Limit (DEL) *Voted:*	**Gross**	**Income**	**Net**	**Net Total**	**Outturn vs Estimate: saving/ (excess)**	**Outturn total**
A. MPs' Pay, staffing, business costs and expenses	-	-	-	10	10	-
B. IPSA operations (core costs)	52	-	52	261	209	466
Voted Departmental Expenditure	**52**	**-**	**52**	**271**	**219**	**466**
Spending in Annually Managed Expenditure *Voted:*						
Voted Annually Managed Expenditure	-	-	-	-	-	-
Total	**52**	**-**	**52**	**271**	**219**	**466**

SoPS2 Reconciliation of outturn to net operating expenditure

There are no reconciling items between the net operating expenditure reported in the Statement of Comprehensive Net Expenditure and the net resource outturn reported within the Statement of Outturn against Parliamentary Supply for 2024-25 and 2023-24.

SoPS3 Reconciliation of net resource outturn to net cash requirement

	SoPS Note	Outturn	Estimate	Outturn vs Estimate: saving/(excess)
		£'000	£'000	£'000
Resource Outturn	1.1	311,514	320,067	8,553
Capital Outturn	1.2	52	271	219
Accruals to cash adjustments:				
Adjustments to remove non-cash items:				
Depreciation & Amortisation		(905)	(931)	(26)
New provisions and adjustments to previous provision[1]		(3,015)	(7,450)	4,435
Other non-cash items		(214)	(98)	116
Adjustments to reflect movements in working balances				
Increase/(decrease) in receivables[2]		1,638	(45)	(1,683)
(Increase)/decrease in payables		(3,161)	550	3,711
Repayment of lease liabilities		272	-	(272)
Total		**(5,385)**	**(7,974)**	**(2,589)**
Net cash requirement		**306,181**	**312,364**	**6,183**

Note:

[1] Includes new provision for the McCloud redress (£3.1m) and write-back of dilapidations no longer required (£85k) for IPSA's leasehold property at 85 Strand.

[2] Includes movement in provision for credit losses (£2k).

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As noted in the introduction to the SoPS above, outturn and the Estimates are compiled against the budgeting framework, not on a cash basis. Therefore, this reconciliation bridges the resource and capital outturn to the net cash requirement.

SoPS4 Amounts of income to the Consolidated Fund

SoPS4.1 Analysis of income payable to the Consolidated Fund

There was no income payable to the Consolidated Fund during the year ended 31 March 2025 (2023-24: £nil).

B. Parliamentary Accountability Disclosures

B.1 Losses and special payments

The following sections are subject to audit.

B.1.1 Losses statement

	2024-25		2023-24	
Category of loss	Value of Cases £'000	Number of Cases	Value of Cases £'000	Number of Cases
Receivables adjustments[1]	11	19	11	9
Total	**11**	**19**	**11**	**9**

Note:

[1] Represents bad debt write-offs following a review of aged debt.

B.1.2 Special payments statement

	2024-25		2023-24	
Category of special payment	Value of Cases £'000	Number of Cases	Value of Cases £'000	Number of Cases
Settlement of pay [1]	-	-	94	1
Total	**-**	**-**	**94**	**1**

Note:

[1] Represents costs in relation to exit packages in 2023-24.

B.2 Remote contingent liabilities

This section is subject to audit.

In addition to contingent liabilities reported within the meaning of IAS 37 Provisions, Contingent Liabilities and Contingent Assets, the organisation also reports liabilities for which the likelihood of a transfer of economic benefit in the settlement is too remote to meet the definition of a contingent liability. There are no remote contingent liabilities in 2024-25 and 2023-24.

Karen Walker
Accounting Officer
10 July 2026

IPSA
Independent Parliamentary Standards Authority

THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE HOUSES OF PARLIAMENT

Opinion on financial statements

I certify that I have audited the financial statements of the Independent Parliamentary Standards Authority for the year ended 31 March 2025 under the Parliamentary Standards Act 2009.

The financial statements comprise the Independent Parliamentary Standards Authority's:

- Statement of Financial Position as at 31 March 2025;
- Statement of Comprehensive Net Expenditure, Statement of Cash Flows and Statement of Changes in Taxpayers' Equity for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK adopted international accounting standards.

In my opinion, the financial statements:

- give a true and fair view of the state of the Independent Parliamentary Standards Authority's affairs as at 31 March 2025 and its comprehensive net expenditure for the year then ended; and
- have been properly prepared in accordance with the Parliamentary Standards Act 2009 and HM Treasury directions issued thereunder.

Opinion on regularity

In my opinion, in all material respects:

- the Statement of Outturn against Parliamentary Supply properly presents the outturn against voted Parliamentary control totals for the year ended 31 March 2025 and shows that those totals have not been exceeded; and
- the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs UK), applicable law and Practice Note 10 *Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2024)*. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's *Revised Ethical Standard 2024*. I am independent of the Independent Parliamentary Standards Authority in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the Independent Parliamentary Standards Authority's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Independent Parliamentary Standards Authority's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for the Independent Parliamentary Standards Authority is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which requires entities to adopt the going concern basis of accounting in the preparation of the financial statements where it is anticipated that the services which they provide will continue into the future.

Other information

The other information comprises information included in the Annual Report, but does not include the financial statements and my auditor's certificate and report thereon. The Accounting Officer is responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with HM Treasury directions issued under the Parliamentary Standards Act 2009.

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with HM Treasury directions issued under the Parliamentary Standards Act 2009; and
- the information given in the Performance and Accountability Reports for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of the Independent Parliamentary Standards Authority and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance and Accountability Reports.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept by the Independent Parliamentary Standards Authority or returns adequate for my audit have not been received from branches not visited by my staff; or
- I have not received all of the information and explanations I require for my audit; or
- the financial statements and the parts of the Accountability Report subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual have not been made or parts of the Remuneration and Staff Report to be audited is not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within the Independent Parliamentary Standards Authority from whom the auditor determines it necessary to obtain audit evidence;
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error;
- preparing financial statements which give a true and fair view, in accordance with HM Treasury directions issued under the Parliamentary Standards Act 2009;
- preparing the annual report, which includes the Remuneration and Staff Report, in accordance with HM Treasury directions issued under the Parliamentary Standards Act; and

- assessing the Independent Parliamentary Standards Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by the Independent Parliamentary Standards Authority will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Parliamentary Standards Act 2009.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a certificate that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations, including fraud

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, I:

- considered the nature of the sector, control environment and operational performance including the design of the Independent Parliamentary Standards Authority's accounting policies.
- inquired of management, the Independent Parliamentary Standards Authority's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Independent Parliamentary Standards Authority's policies and procedures on:

- identifying, evaluating and complying with laws and regulations;
- detecting and responding to the risks of fraud; and
- the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the Independent Parliamentary Standards Authority's controls relating to the Independent Parliamentary Standards Authority's compliance with the Parliamentary Standards Act 2009 and Managing Public Money.

- inquired of management, the Independent Parliamentary Standards Authority's head of internal audit and those charged with governance whether:
  - they were aware of any instances of non-compliance with laws and regulations;
  - they had knowledge of any actual, suspected, or alleged fraud,
- discussed with the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the Independent Parliamentary Standards Authority for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions and bias in management estimates. In common with all audits under ISAs (UK), I am required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of the Independent Parliamentary Standards Authority framework of authority and other legal and regulatory frameworks in which the Independent Parliamentary Standards Authority operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the Independent Parliamentary Standards Authority. The key laws and regulations I considered in this context included the Parliamentary Standards Act 2009, Managing Public Money, Supply and Appropriation (Main Estimates) Act 2024, employment law and tax legislation.

IPSA
Independent Parliamentary Standards Authority

Audit response to identified risk

To respond to the identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements.
- I enquired of management, the Audit, Risk and Assurance Committee and in-house legal counsel concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Board; and internal audit reports;
- I addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements on estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members and relevant component audit teams and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

Other auditor's responsibilities

I am required to obtain appropriate evidence sufficient to give reasonable assurance that the Statement of Outturn against Parliamentary Supply properly presents the outturn against voted Parliamentary control totals and that those totals have not been exceeded. The voted Parliamentary control totals are Departmental Expenditure Limits (Resource and Capital), Annually Managed Expenditure (Resource and Capital), Non-Budget (Resource) and Net Cash Requirement.

I am required to obtain sufficient appropriate audit evidence to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control I identify during my audit.

Report

I have no observations to make on these financial statements.

Gareth Davies **14 July 2026**

Comptroller and Auditor General

National Audit Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP

IPSA
Independent Parliamentary
Standards Authority

Part III:
Financial Statements

IPSA
Independent Parliamentary Standards Authority

A. Statement of Comprehensive Net Expenditure

This statement summarises the expenditure and income generated and consumed on an accruals basis. It also includes other comprehensive income and expenditure, which include changes to the values of non-current assets and other financial instruments that cannot yet be recognised as income or expenditure.

For the year ended 31 March 2025			
		2024-25	2023-24
	Note	£'000	£'000
MPs' Business costs and expenses scheme			
MP and MPs' staff pay costs	3	252,382	198,596
MP and MPs' staff expenses	3	44,176	34,542
Income	5	(80)	-
IPSA operational costs			
Staff costs	4	7,333	6,450
Other costs	4	7,700	4,422
Income	5	-	-
Net operating expenditure		**311,511**	**244,010**
IPSA financing costs			
Interest costs	4.1	3	6
Net financing expenditure		**3**	**6**
Total expenditure		**311,594**	**244,016**
Total income		**(80)**	**-**
Comprehensive net expenditure for the year		**311,514**	**244,016**

The notes on pages 94 to 117 form part of these accounts.

IPSA
Independent Parliamentary Standards Authority

B. Statement of Financial Position

This statement presents the financial position of the department. It comprises three main components: assets owned or controlled; liabilities owed to other bodies; and equity, the remaining value of the entity.

As at 31 March 2025			
		2024-25	2023-24
	Note	£'000	£'000
Non-current assets			
Property, plant, and equipment	6	110	219
Right-of-use asset	7	66	329
Intangible assets	8	2,850	3,316
Total non-current assets		**3,026**	**3,864**
Current assets			
Trade and other receivables	10	4,239	2,627
Cash and cash equivalents	11	615	173
Total current assets		**4,854**	**2,800**
Total assets		**7,880**	**6,664**
Current liabilities			
Trade and other payables	12	(15,925)	(12,322)
Lease liability	13	(76)	(269)
Provisions	14	(57)	(2)
Total current liabilities		**(16,058)**	**(12,593)**
Total assets less current liabilities		**(8,178)**	**(5,929)**
Non-current liabilities			
Lease liability	13	-	(76)
Provisions	14	(3,100)	(140)
Total non-current liabilities		**(3,100)**	**(216)**
Total assets less total liabilities		**(11,278)**	**(6,145)**
Taxpayers' equity:			
General fund		(11,278)	(6,145)
Total equity		**(11,278)**	**(6,145)**

The notes on pages 94 to 117 form part of these accounts.

Karen Walker
Accounting Officer
10 July 2026

IPSA
Independent Parliamentary Standards Authority

C. Statement of Cash Flows

The Statement of Cash Flows shows the changes in cash and cash equivalents of the department during the reporting period. The statement shows how the department generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of service costs and the extent to which these operations are funded by way of income from the recipients of services provided by the department. Investing activities represent the extent to which cash inflows and outflows have been made for resources which are intended to contribute to the departments' future public service delivery.

For the year ended 31 March 2025			
	Note	2024-25	2023-24
		£'000	£'000
Cash flows from operating activities			
Comprehensive net operating expenditure		311,514	(244,016)
Adjustments for non-cash transactions			
Depreciation and amortisation	4	905	1,011
External audit	4	200	103
Increase/(decrease) in provisions	14	3,015	(76)
(Increase)/decrease in trade and other receivables	10	(1,612)	362
Other non-cash adjustments		(15)	-
Increase in trade and other payables	12	3,603	425
Less movement in payables relating to items not passing through the SoCNE	12	(442)	55
Net cash outflow from operating activities		**(305,860)**	**(242,136)**
Cash flows from investing activities			
Purchase of property, plant, and equipment	6	(12)	(165)
Purchase of intangible assets	8	(40)	(267)
Net cash outflow from investing activities		**(52)**	**(432)**
Cash flows from financing activities			
From the Consolidated Fund (Supply) – current year		306,623	242,770
Repayment of principal on lease	13	(272)	(263)
Finance cost (on lease)	13	3	6
Advances from the Contingencies Fund		52,767	-
Payments to the Contingencies Fund		(52,767)	-
Net cash flow from financing activities		**306,354**	**242,513**

IPSA
Independent Parliamentary Standards Authority

For the year ended 31 March 2025			
	Note	2024-25	2023-24
		£'000	£'000
Net increase/(decrease) in cash and cash equivalents in the period before adjustment for receipts and payments to the Consolidated Fund		**442**	**(55)**
Payments of amounts due to the Consolidated Fund		**-**	-
Net increase/(decrease) in cash and cash equivalents in the period after adjustment for receipts and payments to the Consolidated Fund		**442**	**(55)**
Cash and cash equivalents at the beginning of the period		**173**	**228**
Cash and cash equivalents at the end of the period	11	**615**	**173**

The notes on pages 94 to 117 form part of these accounts.

IPSA
Independent Parliamentary Standards Authority

D. Statement of Changes in Taxpayers' Equity

This statement shows the movement in the year on the different reserves held by IPSA. The General Fund represents the total assets less liabilities of a department, to the extent that the total is not represented by other reserves and financing items.

For the year ended 31 March 2025		
	Note	**General Fund[1]**
		£'000
Balance at 1 April 2023		(5,057)
Net Parliamentary Funding – drawn down		242,770
Net Parliamentary Funding – deemed supply		228
Supply payable adjustment	12	(173)
Comprehensive net expenditure for the year	SoCNE	(244,016)
Non-cash adjustments		
Auditors' remuneration	4	103
Balance at 31 March 2024		**(6,145)**
Balance at 1 April 2024		**(6,145)**
Net Parliamentary Funding – drawn down		306,623
Net Parliamentary Funding – deemed supply		173
Supply payable adjustment	12	(615)
Comprehensive net expenditure for the year	SoCNE	(311,514)
Non-cash adjustments		
Auditors' remuneration	4	200
Balance at 31 March 2025		**(11,278)**

Note:

[1] IPSA's only Reserve Fund is the General Fund.

The notes on pages 94 to 117 form part of these accounts.

IPSA
Independent Parliamentary Standards Authority

E. Notes to Departmental Resource Accounts

1. Statement of accounting policies

These financial statements have been prepared in accordance with the 2024–25 Government Financial Reporting Manual (FReM) issued by HM Treasury.

The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector.

Where the FReM permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of IPSA to give a true and fair view has been selected.

The policies adopted by IPSA are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

1.1 Accounting convention

These financial statements have been prepared under the historical cost convention. There has been no revaluation of plant and equipment and intangibles. These are short life and/or low value assets where the historic cost is an appropriate proxy for fair value. See note 1.9 for right-of-use assets.

1.2 Financing and going concern

IPSA is resourced by funds approved by the SCIPSA through the annual Supply and Appropriation Acts. Resources are drawn down each month to meet expenditure requirements and are credited to the General Fund. Any income that IPSA may use in support of its activities is also approved in the Appropriation Act. The Main Estimate for 2025-26 (HC 909) was approved on 15 May 2025. The net liability position as per the Statement of Financial Position as at 31 March 2025 was £13.678m.

The services provided by IPSA are expected to continue and there is no reason to believe that future funding will not be forthcoming. The financial statements have therefore been prepared on a going concern basis.

1.3 Administration and programme expenditure

The Statement of Outturn against Parliamentary Supply shows that all IPSA's expenditure is classified as programme. IPSA has no administration expenditure.

1.4 Pensions

IPSA is admitted to Section 1 of the Civil Service Pension scheme arrangements, and past and present staff are covered by the provisions of the Civil Service Pension scheme arrangements.

IPSA recognises the expected cost of these schemes on a systematic and rational basis over the period during which it benefits from employees' services by payment to the Civil Service Pension scheme arrangements of amounts calculated on an accruing basis. Liability for future benefits is a charge on the Civil Service Pension scheme arrangements.

In respect of defined contribution schemes, IPSA recognises the contributions payable for the year.

The Principal Civil Service Pension Scheme (PCSPS) are unfunded multi-employer defined benefit schemes in which IPSA is unable to identify its share of the underlying assets and liabilities. In accordance with IAS 19, the schemes are thus accounted for similar to a contribution scheme.

1.5 Property, plant, and equipment

Expenditure on property, plant, and equipment of £5,000 or more is capitalised.

All assets of a similar nature and function (including the recognition on purchase of the component parts) whose value, when grouped in a singular purchase/contract, exceeds the £5,000 threshold are capitalised as a grouped asset.

Subsequent acquisitions of less than £5,000 value but of the exact nature of existing grouped assets will be appended.

On initial recognition, assets are measured at cost, including any costs such as installation directly attributable to bringing them into working condition.

All tangible assets are deemed to be short-life or low-value assets and are therefore valued based on depreciated historical cost as an approximation of fair value. Tangible assets are reviewed annually for impairment.

1.6 Intangible assets

Expenditure on intangible assets, which are software and website development costs, is capitalised where the cost is £5,000 or more. Subsequent acquisitions of less than £5,000 value but of the exact nature as existing grouped assets will be appended.

Intangible assets are reviewed annually for impairment and are stated at the lower of carrying value and recoverable value.

IPSA applies IAS 38 as adapted by the FReM for both the initial recognition and subsequent measurement.

Where an active (homogeneous) market exists, intangible assets other than those that are held for sale are carried at current value in existing use at the reporting period date.

Where no active market exists, the FReM requires entities to revalue the asset, using indices or some suitable model, to the lower of depreciated replacement cost and value-in-use where the asset is income generating.

Where there is no value-in-use, the asset will be valued using depreciated replacement cost.

No active market exists for IPSA Online due to the bespoke nature for IPSA, and the effect of the price indexation is not considered to be material given the nature and useful economic life of the asset.

Software licences are amortised on a straight-line basis over the shorter of the term of the licence and the useful economic life of the asset. Assets under construction are not amortised but are assessed for impairment annually.

1.7 Depreciation and amortisation

Property, plant and equipment and intangible assets are depreciated or amortised at rates calculated to write them down to the estimated residual value on a straight-line basis over their estimated useful lives as described in the table below.

Asset lives are assigned as follows:

Type	Length
Leasehold improvements	Five years or remaining life of the lease
IT and computers	Five years
Other equipment	Five years
Furniture, fixtures, and fittings	Five years
Intangible assets	The shorter of the term of the software licence and the useful economic life of the related IT asset

The residual values of assets are reviewed on an annual basis. The useful economic life of IPSA Online is 10 years.

1.8 Trade receivables and other receivables

Trade and other receivables are recognised in line with IFRS 9 initially at fair value and recoverable amount and subsequently measured at amortised cost.

Impairments of trade and other receivables arise from calculation of an expected credit loss provision. A credit loss is recognised in the Statement of Comprehensive Net Expenditure and a loss allowance is established against specific debts by reference to payment history against settlement terms and the expectancy of future payments.

IPSA expects to recover all debt unless it is not economical to do so.

An expected credit loss provision is established when there is evidence that IPSA will not collect all amounts outstanding and according to the original terms of the receivables.

Debts relating to MPs deemed not to be recoverable are provided for in the year they are identified by IPSA. If deemed unrecoverable, these balances are written off in the financial year. They are reported in the Annual Publication of MPs' Business Costs and Expenses on the IPSA website.

The figures disclosed in the Losses and special payments section of the Parliamentary Accountability Disclosures are the balances that have been written off.

Other receivables include budget overspends by MPs, salary-related advances, and payment card receivables. MPs are given the option of repaying amounts or offsetting the amounts overspent against future payments.

1.9 Leases

IPSA has adopted IFRS 16, as interpreted and adapted in the Government Financial Reporting Manual (FReM), with effect from 1 April 2022. Where a lease has been identified, IPSA recognises a right-of-use asset (measured at cost as an appropriate proxy) and corresponding lease liability, except for short-term leases and leases for which the underlying asset is of low value. For such leases, the lease payments are recognised as an expense. IPSA has applied a threshold of £5,000 for low-value assets. Where the interest rate in a lease cannot be readily determined, the IPSA calculates the liability using the HM Treasury discount rates promulgated in the PES papers as the incremental borrowing rate. For leases that commence or are remeasured in 2024-25

this rate is 4.72%. No leases commenced or were remeasured during 2024-25. IPSA does not apply IFRS 16 to leases of intangible assets and recognises these in accordance with IAS 38 where appropriate.

IPSA's only lease relates to property rental for office space located at 2nd Floor, 85 Strand, London (lease expiry date of June 2025).

1.10 Provisions

Provisions are treated in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets. IPSA recognises a provision when there is a present obligation (legal or constructive) as a result of a past event, it is probable that the obligation will be settled, and a reliable estimate can be made of the amount of the obligation.

Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using the HM Treasury discount rate.

1.11 Contingent liabilities

Contingent liabilities are treated in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

IPSA discloses a contingent liability where there is a possible obligation on whether some uncertain future event occurs or there is a present obligation, but payment is not probable, or the amount cannot be reliably measured.

1.12 Value Added Tax

IPSA is not registered for VAT, and, as such, all income excludes any VAT content, and all expenditure is stated inclusive of VAT.

1.13 Staff costs

Under IAS 19 Employee Benefits, all staff costs must be recorded as an expense as soon as the organisation is obliged to pay them.

1.14 Significant accounting judgements and estimates

The preparation of financial statements requires management to make estimates and judgements. Actual results could differ from estimates. Information about these judgements and estimates is contained in the relevant accounting policies and notes to the accounts. The key areas of estimation uncertainty and judgement are:

MP Expense Claims – MPs may submit a claim up to 90 days after incurring the expenditure and resolve any queries as instructed. The outstanding balance of claims for MPs' business costs arising out of 2024-25 has been accrued for in these accounts.

A year-end process is in place to ensure that MPs' spend is allocated to the correct year. MPs must submit their 2024-25 business costs before the year-end cut-off date or populate a year-end form where it is not possible to submit the expense before this date.

Provisions – A significant provision has been provided for McCloud redress payments to pension scheme members. Further details can be found in Note 14.

1.15 Recognition of MPs' claims

MPs' claims are treated as a resource expense against the IPSA Estimate and are recognised once payment has been approved, at which point a constructive obligation is established.

For determining the financial year in which MPs' business cost claims are recognised, individual claim lines are recognised according to the date the expense was incurred, not the date at which the claim is submitted.

Claims against invoices for which payment has not yet been made are recognised at the date incurred.

Items of expenditure made by both MPs and directly by IPSA on the MP's behalf that involve an element of prepayment have been accounted for in the relevant year.

IPSA is not responsible for managing MPs' expenditure once the claim has been paid and does not, for example, distinguish between expenditure on capital assets as opposed to consumable items. These are a matter for the MP concerned.

1.16 Income

Receipts (or reimbursements) due where MPs or IPSA have decided that an item paid for is not claimable under the Scheme are not considered to be income. They are offset against the expenditure of the MP where agreed.

MPs who used IPSA funded office equipment during their 2024 General Election campaigning paid a fixed fee of £250 to IPSA. This agreement was made between IPSA and the Electoral Commission, as public funding cannot be used for the purposes of electoral campaigning.

1.17 IFRSs in issue but not yet effective

To comply with the requirements of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, IPSA must disclose where it has not applied a new IFRS that has been issued but is not yet effective. IPSA has reviewed the IFRSs in issue but not yet effective to assess their impact on its accounting policies and treatment, of which there is one, *IFRS 17 (Insurance Contracts)*.

IFRS 17 (Insurance Contracts) was issued in May 2017, replacing IFRS 4 (Insurance Contracts). The effective date of IFRS 17 in the public sector is expected to be applied in 2025-26. IFRS 17 requires that insurance liabilities be measured at the present value of future insurance cash flows, resulting in more uniform measurements and presentation for all insurance contracts. Management has assessed the likely effect of the new standard and has concluded that there are no material assets or liabilities recognised as insurance contracts at IPSA, and it is expected that there will be no impact on IPSA's 2025-26 financial statements.

2. Statement of operating expenditure by operating segment

IPSA's operating segments correspond with the Subhead detail of the 2024-25 Estimate. The reportable segments are reported to the IPSA Board in its management accounts and are the entity's components that management uses to make decisions about operating matters.

	2024-25			
	Subhead A	Subhead B	Subhead C	Total
	MPs' pay, staffing, business costs and expenses	IPSA operations – core costs (including provisions)	General Election Costs	
	£'000	£'000	£'000	£'000
Gross expenditure	242,665	14,752	54,177	311,594
Income	-	-	(80)	(80)
Net expenditure	**242,665**	**14,752**	**54,097**	**311,514**
Assets	-	7,880	-	7,880
Liabilities	-	(19,158)	-	(19,158)
Net capital	**-**	**(11,278)**	**-**	**(11,278)**

	2023-24		
	Subhead A	Subhead B	Total
	MPs' pay, staffing, business costs and expenses	IPSA operations – core costs (including provisions)	
	£'000	£'000	£'000
Gross expenditure	233,138	10,878	244,016
Income	-	-	-
Net expenditure	**233,138**	**10,878**	**244,016**
Assets	-	6,664	6,664
Liabilities	-	(12,809)	(12,809)
Net capital	**-**	**(6,145)**	**(6,145)**

Description of segments

Subhead A: Scheme of MPs' Staffing and Business Costs – the costs of MPs' pay, staffing costs and expenses.

Subhead B: IPSA Operations – the operating expenditure of IPSA, including income from subletting and provisions. This subhead also covers the expenditure of the IPSA Compliance Officer.

Subhead C: General Election – Costs incurred related to the General Election in 2024.

3. MPs' business costs

	2024-25	2023-24
	£'000	£'000
Scheme of MPs' Staffing and Business Costs[1]		
MP salary cost	70,547	57,296
MPs' staff salary cost	129,522	111,285
MP National Insurance	9,297	7,371
MPs' staff National Insurance	13,468	11,299
MPs' staff superannuation	12,247	10,835
MPs' staff winding-up costs	1,044	165
MPs' staff redundancy as a result of winding-up	12,429	345
MPs' loss of office payments	3,828	-
	252,382	**198,596**
Capped Budgets		
Accommodation Expenses and Office Expenditure[1]		
Property rent	16,971	14,348
Utility costs	1,112	1,229
Council Tax	570	462
Service charges	329	297
Rates	224	184
Other premises costs	2,029	-
Insurance	140	157
Professional services	2,258	1,789
Stationery and other office supplies	2,291	1,577
Telephone and internet	1,080	1,134

	2024-25	2023-24
	£'000	£'000
Pooled services	2,692	2,487
Computers	1,134	699
Office furniture	1,782	816
Photocopiers and televisions	192	173
Publicity, advertising, and communications	588	570
Website design and hosting	234	157
Other	877	398
Total Capped expenditure	**34,503**	**26,477**
Uncapped Budgets[1]		
Travel – car	913	1,121
– air	1,474	1,521
– rail	3,252	2,674
– taxi	226	234
– other	76	99
Hotels	2,878	1,970
Food and drink	94	87
Training	538	163
Parking	222	196
Total Uncapped	**9,673**	**8,065**
Total MPs' Business Costs and Expenses Scheme	**296,558**	**233,138**

Notes:

[1] General Election Costs (Subhead C) are included in the amounts above, as follows:

Subhead C – MPs' General Election Costs					2024-25	2023-24
	Note	Staff Costs £'000	Capped £'000	Uncapped £'000	Total £'000	Total £'000
Parallel running costs		22,353	2,341	549	25,243	-
Staff redundancies and staff winding-up payments		12,771	-	-	12,771	-
Winding-up payments		12,051	-	-	12,051	-
Loss of office payments		3,828	-	-	3,828	-
Total MPs General Election Costs		**51,003**	**2,341**	**549**	**53,893**	**-**
Total IPSA General Election Costs	4	130	-	154	284	-
Total General Election Costs	SoPS1.1	**51,133**	**2,341**	**703**	**54,177**	**-**

IPSA does not fund MPs' pension contributions; the House of Commons pays these. However, IPSA funds MPs' staff pension contributions. The pension provider is Legal and General, and the contribution rate is 10% of pensionable salary.

3.1 *Reporting of MPs' staff exit packages*

	2024-25[1]					
Exit Package Summary	Number of MPs' staff departures			Value of Exit Package £'000		
	Relating to MPs who left Parliament	Relating to sitting MPs	Total	Relating to MPs who left Parliament	Relating to Sitting MPs	Total
£0 – £4,999	521	22	**543**	1,477	59	**1,536**
£5,000 – £9,999	352	11	**363**	2,507	81	**2,588**
£10,000 – £14,999	145	4	**149**	1,822	49	**1,871**
£15,000 – £19,999	121	-	**121**	2,133	-	**2,133**
£20,000 – £24,999	47	3	**50**	1,039	68	**1,107**
£25,000 – £29,999	50	1	**51**	1,375	27	**1,402**
£30,000 – £34,999	17	-	**17**	548	-	**548**
£35,000 – £39,999	15	-	**15**	574	-	**574**
£40,000 – £44,999	16	-	**16**	670	-	**670**
Total	**1,284**	**41**	**1,325**	**12,145**	**284**	**12,429**

Note:

[1] The exits were departures from positions because of the General Election, restructures and performance management.

2023-24[1]						
Exit Package Summary	Number of MPs' staff departures			Value of Exit Package £'000		
	Relating to MPs who left Parliament	Relating to sitting MPs	Total	Relating to MPs who left Parliament	Relating to Sitting MPs	Total
£0 – £4,999	12	9	**21**	36	26	**62**
£5,000 – £9,999	5	2	**7**	33	18	**51**
£10,000 – £14,999	6	2	**8**	73	23	**96**
£15,000 – £19,999	4	3	**7**	64	52	**116**
£20,000 – £24,999	1	-	**1**	21	-	**21**
Total	**28**	**16**	**44**	**227**	**119**	**346**

Note:

[1] The exits were regular departures from positions because of restructures and performance management.

MPs' staff redundancy costs have been paid in accordance with the provisions of the Scheme for the staff of MPs no longer in post and redundancies arising from MP office restructuring.

3.2 *MP Loss of Office Payments*

	2024-25		2023-24	
MP Loss of Office payments summary	Number of Loss of Office payments	Value of Loss of Office payments £'000	Number of Loss of Office payments	Value of Loss of Office payments £'000
£0 – £4,999	2	8	-	-
£5,000 – £9,999	88	672	-	-
£10,000 – £14,999	21	282	-	-
£15,000 – £19,999	37	677	-	-
£20,000 – £24,999	7	160	-	-
£25,000 – £29,999	33	941	-	-
£30,000 – £34,999	4	133	-	-
£35,000 – £39,999	13	493	-	-
£40,000 – £44,999	11	462	-	-
Total	**216**	**3,828**	**-**	**-**

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4. IPSA's operational costs

	2024-25	2023-24
	£'000	£'000
Staff costs[1]		
Wages and salaries	5,374	4,731
Social security costs	604	486
Other pension costs	1,325	1,198
Agency staff	30	64
Secondment income	-	(29)
Total staff costs[2]	**7,333**	**6,450**
Rent, rates, and service charges	188	213
Other property costs	200	192
IT services and telephony	1,456	1,222
Legal	105	267
Pension advice and administration	783	484
Internal audit services	17	94
Recruitment and advertising	61	78
Printing, postage, and stationery	28	29
Professional services	426	476
Non-cash items:		
Depreciation	304	459
Amortisation	601	552
External audit[3]	200	103
Credit losses[4]	11	11
New provisions and adjustments to previous provisions[5]	3,013	(17)
Other	307	259
Total non-staff costs[2]	**7,700**	**4,422**
Total IPSA Operational Costs[2]	**15,033**	**10,872**

Notes:

[1] Further analysis of staff costs is set out in the *Staff and other pay costs report* on page 67.

[2] General Election Costs (Subhead C) included in the amounts above are shown separately in the table below.

[3] IPSA's External Auditors (the National Audit Office) provided no non-audit services.

[4] Following the bad debt policy application, £11k of debt was written off in the year (£11k in 2023-24).

[5] Includes movement in provision for credit losses (£2k), new provision for the McCloud Redress (£3.1m) and write-back of dilapidations no longer required (£85k) for IPSA's leasehold property at 85 Strand.

Subhead C – General Election Costs	2024-25	2023-24
	£'000	£'000
Staff costs	130	-
Other	154	-
Total IPSA General Election Costs	**284**	**-**

4.1 Net financing costs

	2024-25	2023-24
	£'000	£'000
Interest on lease liability	3	6
Total	**3**	**6**

5. Income

Subhead C – General Election Income	2024-25	2023-24
	£'000	£'000
Income[1]	80	-
Total	**80**	**-**

Note:

[1] Income relates to the General Election for reimbursement of IPSA funded office equipment, used during the General Election for campaigning.

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6. Property, plant, and equipment

2024-25					
	Leasehold Refurbishment	Information Technology	Furniture & Fittings	Assets Under Construction	Total
	£'000	£'000	£'000	£'000	£'000
Cost or valuation					
At 1 April 2024	41	243	797	80	**1,161**
Additions	-	8	4	-	**12**
Disposals	-	(38)	-	-	**(38)**
Reclassifications and transfers out	-	-	-	(80)	**(80)**
At 31 March 2025	**41**	**213**	**801**	**-**	**1,055**
Depreciation					
At 1 April 2024	36	170	736	-	**942**
Charged in year	2	24	15	-	**41**
Disposals	-	(38)	-	-	**(38)**
At 31 March 2025	**38**	**156**	**751**	**-**	**945**
Carrying amount as at 31 March 2024	**5**	**73**	**61**	**80**	**219**
Carrying amount as at 31 March 2025	**3**	**57**	**50**	**-**	**110**

2023-24					
	Leasehold Refurbishment	Information Technology	Furniture & Fittings	Assets Under Construction	Total
	£'000	£'000	£'000	£'000	£'000
Cost or valuation					
At 1 April 2023	41	452	761	17	**1,271**
Additions	-	36	67	63	**166**
Disposals	-	(245)	(31)	-	**(276)**
At 31 March 2024	**41**	**243**	**797**	**80**	**1,161**
Depreciation					
At 1 April 2023	28	373	622	-	**1,023**
Charged in year	8	42	145	-	**195**
Disposals	-	(245)	(31)	-	**(276)**
At 31 March 2024	**36**	**170**	**736**	-	**942**
Carrying amount as at 31 March 2023	**13**	**79**	**139**	**17**	**248**
Carrying amount as at 31 March 2024	**5**	**73**	**61**	**80**	**219**

All property, plant and equipment assets are owned.

7. Right-of-use asset

	2024-25	2023-24
	£'000	£'000
Cost or valuation		
At 1 April	856	856
Additions	-	-
Disposals	-	-
At 31 March	**856**	**856**
Depreciation		
At 1 April	527	263
Charged in year	263	264
Disposals	-	-
At 31 March	**790**	**527**
Carrying amount as at 31 March	**66**	**329**

The right-of-use asset relates to the office at 85 Strand, London.

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8. Intangible assets

Intangible assets mainly comprise costs incurred in developing IPSA Online.

	2024-25	2023-24
	£'000	£'000
Cost or valuation		
At 1 April	6,314	6,034
Additions	55	300
Disposals	-	(20)
Reclassifications and transfers in	80	-
At 31 March	**6,449**	**6,314**
Amortisation		
At 1 April	2,998	2,466
Charged in year	601	552
Disposals	-	(20)
At 31 March	**3,599**	**2,998**
Carrying amount as at 31 March	**2,850**	**3,316**

IPSA Online, including the Business World Enterprise Resource Planning application, came into use on 1 April 2019. This consists of business processes including accounts payable, account receivable, general ledger accounting, payroll, expenses, and customisations.

9. Financial instruments

IPSA's resources are met from Parliament through the Estimates process following scrutiny and approval by the Speaker's Committee.

Financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body of a similar size. IPSA has no power to borrow money or to invest surplus funds. Besides financial assets and liabilities generated by day-to-day operational activities, IPSA holds no financial instruments.

Liquidity risk

This is the possibility that IPSA may be unable to meet short-term financial demands. IPSA's net revenue resource requirements are financed by resources voted annually by Parliament, as is its capital expenditure. IPSA is not, therefore, exposed to material liquidity risks.

Credit risk

This is the possibility that debtors may fail to make required repayments to IPSA. Given the nature of IPSA's activities, the user base of MPs and their staff and the powers available to IPSA to recover any monies owing, IPSA believes that it is not exposed to any material credit risk.

10. Trade and other receivables

	2024-25	2023-24
	£'000	£'000
Amounts falling due within one year:		
Trade receivables [1]	1,617	853
Deposits and advances	2	-
Other receivables	1,819	1,462
Prepayments and accrued income	801	312
Total	**4,239**	**2,627**

Note:

[1] Trade receivables includes deposit loans given to MPs for constituency office and accommodation property rentals.

11. Cash and cash equivalents

	2024-25	2023-24
	£'000	£'000
Balance as at 1 April	173	228
Net change in cash and cash equivalent balances	442	(55)
Balance as at 31 March[1]	**615**	**173**

[1] Cash balances are held with the Government Banking Service.

There were no cash equivalents held by IPSA as at 31 March 2025 or 31 March 2024.

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12. Trade and other payables

	2024-25	2023-24
	£'000	£'000
Amounts falling due within one year		
Taxation and social security	7,602	6,755
Payables	5	100
Accrual for MPs and MPs' staff expenses	4,658	2,724
Other accruals and deferred income	3,045	2,570
	15,310	**12,149**
Amounts issued from the Consolidated Fund for Supply but not spent at year-end	615	173
Total	**15,925**	**12,322**

No amounts are falling due after more than one year.

13. Lease liability

The lease liability amounts recognised in the Statement of Financial Position are as follows:

	2024-25	2023-24
	£'000	£'000
Balance as at 1 April	345	602
Lease payments made during the year	(272)	(263)
Interest charge for the year	3	6
Balance as at 31 March	**76**	**345**
Amounts falling due within one year		
Lease liability	76	269
Amounts falling due after more than one year		
Lease liability	-	76
Total	**76**	**345**

The amounts recognised in the Statement of Comprehensive Net Expenditure are as follows:

	2024-25	2023-24
	£'000	£'000
Interest on lease liabilities under finance costs	3	6
VAT on lease payments under accommodation lease costs	55	53

The following table sets out the maturity analysis of lease payables showing the undiscounted lease payments to be paid after the .reporting date:

	2024-25	2023-24
	£'000	£'000
Not later than 1 year	76	273
Later than one year and not later than five years	-	76
Later than five years	-	-
Total	**76**	**349**
Less Interest element	-	(4)
Present value of obligations	**76**	**345**

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14. Provisions for liabilities and charges

	2024-25				2023-24
	Dilapidations	McCloud Redress	Other	Total	Total
	£'000	£'000	£'000	£'000	£'000
Balance as at 1 April	140	-	2	142	202
Provided for in year	-	3,100	-	3,100	-
Provisions not required written back	(85)	-	-	(85)	(35)
Provisions used in year	-	-	-	-	(25)
Balance as at 31 March	**55**	**3,100**	**2**	**3,157**	**142**

	Dilapidations	McCloud Redress	Other	Total	2023-24 Total
	£'000	£'000	£'000	£'000	£'000
Analysis of expected timing of cash flows					
Not later than one year	55	-	2	57	2
Later than one year and not later than five years	-	3,100	-	3,100	140
Later than five years	-	-	-	-	-
Balance as at 31 March	**55**	**3,100**	**2**	**3,157**	**142**

Dilapidations – A dilapidation provision for £55k is provided for to restore IPSA's leasehold property at 85 Strand.

McCloud Redress – A provision of £3,100k is provided for McCloud redress tax payments to pension scheme members.

The PCPF is the pension scheme for MPs and Ministers. IPSA has only been responsible for oversight of the MPs pension scheme since 2011 and it is administered independently by a board of Trustees. Following public service pension reforms in 2014-15, IPSA introduced similar changes to the MPs' scheme, including transitional arrangements based on age. Although the 2018 McCloud judgement on unlawful age discrimination did not directly affect the MPs' scheme, IPSA addressed related fairness issues in 2023 by allowing members to choose between Final Salary and CARE benefits for the 2015–2023 period. Due to the scheme's unique legal status, affected MPs may face tax charges not mitigated by broader public sector legislation. To counter this, IPSA, with the support of HM Treasury and HMRC established a Redress Scheme, enabling repayments to members for adverse tax consequences arising from their

benefit choices, with IPSA covering the costs to ensure members are impacted as if the changes had applied retrospectively.

The McCloud provision has been calculated based on individual member choices except for 25 members where this information is not currently available. For these members we have assumed the choice resulting in the highest level of estimated redress available to them being paid. The AA (Annual Allowance) was calculated based on the additional pension input arising from the McCloud choice in 2024-25 subtracting the standard AA (including carry forward and estimated pension input amount) and applying a 40% marginal tax rate. The outcome depends heavily on whether members are assumed to have the standard AA or the tapered AA. For MPs and Ministers, it's reasonable to assume standard AA applies. However, some may have had tapered AA (as low as £10,000) in any year from 2021–2022 to 2024–2025 due to higher income. If all members had the minimum tapered AA, the cost of AA redress could triple to £5.751m.

IPSA's view is that most active MPs will pay additional McCloud contributions via payroll, meaning no tax relief redress is needed. However, the estimate assumes 5% of contributions may be paid outside payroll, for which redress could still be due.

We have identified 16 more members affected by McCloud who were not in the original data set and as information was not available for them, the overall redress estimate was increased assuming that this small group of members have a similar level of redress to the general average.

There are 12 pensioner members for whom the pension input amount (PIA) arising from the McCloud choice has not yet been calculated. This is because their McCloud remedy was implemented in 2025-26 rather than 2024-25 as they either took or were considering a pension commencement lump sum as part of their benefit uplift. For the purpose of estimating potential redress, it has been assumed that the PIA for these members is equal to the average PIA across the affected pensioner population.

There is uncertainty around the exact timing of claims and payments as these will be based on when individual members submit their claims, however the provision is expected to be utilised later than one year but not later than 5 years as most redress claims are expected to relate to the 2024-25 tax year. IPSA has no basis on which to determine whether any provision will be utilised in future years on annual allowances. As annual allowances can only be carried forward for three years, the provision is expected to be totally utilised by 2028-29.

Other – A provision of £2k relates to the deferred NI contributions due to HMRC.

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15. Capital and other commitments

15.1 Capital commitments

There were no capital commitments as at 31 March 2025 or 31 March 2024.

15.2 Other financial commitments

IPSA has entered into non-cancellable contracts which are not leases, PFI contracts or other service concession arrangements. The payments to which IPSA are committed, analysed by the period during which the commitments expire, are as follows.

	2024-25	2023-24
	£'000	£'000
Not later than one year	745	411
Later than one year and not later than five years	463	165
Total	**1,208**	**576**

The commitments mainly relate to the licensing and running costs of the CRM tool, the finance system and other software applications. The remaining commitments relate to other general operational costs.

16. Contingent liabilities disclosed under IAS 37

There were no quantified contingent liabilities as at 31 March 2025.

17. Related-party transactions

IPSA has no direct or indirect sponsorship or agency relationships with any other public body, private body, or company, except for Parliament itself.

Thomas Fitch, Director of Finance, is a trustee of the Parliamentary Contribution Pension Fund, which is an unremunerated position.

IPSA has had a small number of transactions with other government departments for staff secondments.

No Board member, key manager or other related parties have undertaken any material transaction with IPSA during the year.

All related party interests are disclosed on the IPSA website. Please note, the Register of Interests are located within the individual Board members profile's, in the section 'Who we are.'

Details of the Chair's remuneration, Board members and Senior Managers are detailed in the Remuneration Report.

18. Events after the reporting period

There are no events after 31 March 2025 that require an adjustment to the financial statements and no non-adjusting events for which additional disclosure in the financial statements is required.

The Accounting Officer authorised these financial statements for issue on the C&AG certification date. The Accounting Officer based their authorisation, in part, on representations made by Ian Todd, the Accounting Officer until 23 September 2025.

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Part IV:
Accounts Direction

Accounts directions given by the Treasury on 16 April 2011, in accordance with Paragraph 23(2), Part 2 of Schedule 1 to the Parliamentary Standards Act 2009.

1. The Independent Parliamentary Standards Authority shall prepare resource accounts for the financial year ended 31 March 2011 and subsequent financial years in compliance with the accounting principles and disclosure requirements of the edition of the Government Financial Reporting Manual (FReM) issued by HM Treasury which is in force for the financial year for which the accounts are being prepared.

2. The accounts shall be prepared so as to:

- give a true and fair view of the state of affairs of the Independent Parliamentary Standards Authority at 31 March 2011 and subsequent financial year ends, and of its net operating costs, changes in taxpayers' equity and cash flows for the financial year then ended, and
- provide disclosure of any material expenditure or income that has not been applied to the purposes intended by Parliament or material transactions that have not conformed to the authorities which govern them.

3. Compliance with the requirements of the FReM will, in all but exceptional circumstances, be necessary for the accounts to give a true and fair view. If, in these exceptional circumstances, compliance with the requirements of the FReM is inconsistent with the requirement to give a true and fair view, the requirements of the FReM should be departed from only to the extent necessary to give a true and fair view. In such cases, informed and unbiased judgment should be used to devise an appropriate alternative treatment which should be consistent with both the economic characteristics of the circumstances concerned and the spirit of the FReM. Any material departure from the FReM should be discussed in the first instance with the Treasury.

4. This direction replaces the direction dated 29 October 2010.

Chris Wobschall
Head, Assurance and Financial Reporting Policy, HM Treasury

16 April 2011

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Part V: Annual Report by the Compliance Officer for IPSA

A. Introduction

The Compliance Officer for the IPSA is a statutory office holder who acts independently of IPSA's executive. The Compliance Officer reports to the Board of IPSA but is not directed by them.

The office was created by the Parliamentary Standards Act 2009 (PSA 2009), as amended by the Constitutional Reform and Governance Act 2010 (CRAG 2010). The legislation stipulates that the officeholder shall carry out the following functions:

The Compliance Officer:

- may investigate if they have reason to believe that a member of the House of Commons may have been paid an amount under the Scheme of MPs' Business Costs and Expenses (the Scheme) that should not have been allowed. This may be initiated as a result of a complaint, following a request by IPSA, an MP or by the Compliance Officer
- may, upon request, review a determination by IPSA to refuse an MP's business cost claim in whole or in part

The full statutory powers of the Compliance Officer are established in PSA 2009 and CRAG 2010 and included the powers to:

- compel an MP to provide any information required and to issue a penalty notice up to the value of £1,000 should an MP fail to do so
- issue a repayment direction to an MP (including the charging of interest and costs) and to issue a penalty notice up to the value of £1,000 should an MP fail to comply with that notice

The PSA 2009 stipulates that a Compliance Officer can only be appointed for a single fixed term not exceeding five years.

Brigadier Jonathan Blair-Tidewell resigned on 31 May 2024. Matt Walker was appointed as Compliance Officer on 1 June 2024.

B. Overview of 2024-25

In 2024-25 there were a total of 130 complaints made to the Compliance Office by:

- members of the public – 123
- those linked with a political party – 1
- IPSA – 6

83 complaints fell outside of the Compliance Officer's remit.

There were four reviews requested by MPs, an increase of one from the year before.

Further information on both complaints, IPSA referrals and reviews can be found below in section H – Complaints and Investigations.

Within the relevant legislation, an MP can appeal a decision by the Compliance Officer to refuse a business cost claim, pay only part of the claim or require repayment for expenses, interest, or costs to a first-tier tribunal court.

There have not been any tribunals in respect of investigations or review processes this year.

The current Compliance Officer has developed a professional working relationship with both IPSA and other regulatory bodies during their term of office. Regular contact has been maintained with the Special Enquiry Team of the Metropolitan Police, who deal with most of the cases referred by the Compliance Office.

C. Budget for 2024-25

Under the legislation, IPSA is required to provide the Compliance Officer with adequate resources to discharge the functions of the office. This includes the provision of office accommodation, IT, and telephony. These costs are included within IPSA's accounts and are not separately identifiable.

The total expenditure for the Compliance Office in 2024-25 was £72,000. This was broken down as follows:

	Actual Cost (£'000)	Budget (£'000)	Variance (£'000)
Pay	70	56	(14)
Legal, audit and professional fees	-	20	20
Consultancy	-	2	2
Travel/subsistence	2	1	(1)
Total	**72**	**79**	**7**

There is a small underspend on the compliance budget for 2024-25. Notably, there is an overspend in pay, which is due to there being one-month where there was an overlap between the previous and incoming Compliance Officer. This overspend is offset by the underspend in other areas, such as legal services and consultancy.

D. Relationship with IPSA

The Compliance Officer is not an employee or officer of IPSA but has an independent, statutory role.

The Compliance Officer seeks to demonstrate objectivity, impartiality, and neutrality in their relationships with MPs, IPSA, complainants, and other agencies.

The compliance function reports to the IPSA Board on a quarterly basis.

Schedule 2 of PSA 2009 (as amended) requires IPSA to provide the Compliance Officer with adequate resources and staff to discharge the function of the office.

The Compliance Office staff act solely on the instruction of the Compliance Officer, and their functions are entirely separate from the executive branch of IPSA.

The Compliance Office is staffed by one full-time equivalent (FTE) post, comprising a Compliance Officer (generally two days per week) and an Investigations Officer (flexible three days per week).

The Investigations Officer is an IPSA employee and is afforded the same rights as other IPSA personnel.

E. Relationship with MPs

When dealing with complaints there is invariably a requirement for the Compliance Officer to contact the relevant MP who is the subject of the complaint, initially to inform them that a complaint has been made, but also to request a written response to questions posed and/or the provision of supporting evidence.

A professional and formal approach is adopted by the Compliance Officer, who seeks to ensure that the office continues to act fairly and proportionately to all parties involved, inviting the full cooperation of MPs and their staff when conducting statutory functions.

To date, there has been no requirement to initiate formal measures compelling cooperation.

The Compliance Officer retains statutory powers to issue penalty notices to MPs who fail to cooperate with enquiries. It is commendable that these powers have not been enforced since 2010.

The role of the Compliance Officer is to assess all the relevant information and determine whether there has been a breach of the Scheme of MPs Staffing and

Business Costs which is the guidance document which sets out to MPs and their staff the rules and provisions around budgets and business cost claims.

In all appropriate cases, the approach of the Compliance Officer when exercising their statutory function is proportionality. Above all else the Compliance Officer is aware that MPs and their staff are busy assisting constituents and attending to parliamentary duties – they are occasionally prone to oversights, mistakes, or misunderstanding of the rules.

Another important aspect of the role is to ensure complainants are kept up-to-date and provided with a detailed explanation of the rationale for the decisions made. Each complainant receives written correspondence from the Compliance Officer which sets out the detail of the assessment of the complaint and the rationale for reaching the determination. In the event, a formal investigation is initiated, the Compliance Officer will publish a report.

Where genuine mistakes are identified as the underlying cause of a complaint, MPs and their staff receive appropriate guidance to reduce the risk of similar errors being replicated in the future.

To date, and as noted previously, IPSA's Scheme has proven effective and robust in leaving minimal scope for abuse or wilful misinterpretation of the rules.

In exceptional cases, matters have been referred to the police.

F. Relationship with other regulatory bodies

The IPSA and the Compliance Officer must prepare a joint statement setting out how the IPSA and the Compliance Officer will work with the following:

- The Parliamentary Commissioner for Standards
- The Director of Public Prosecutions
- The Commissioner of Police of the Metropolis (MPS)
- any other person the IPSA and the Compliance Officer consider appropriate

Under the fourth bullet point, the Compliance Officer has a joint statement with the House of Commons Independent Complaints and Grievances Scheme (ICGS).

Copies of these agreements are available on the Compliance Officer's website.

A Joint Statement also sets out how IPSA and the Compliance Officer will work with the Metropolitan Police Service and the Director of Public Prosecutions in circumstances

where there is reason to suspect that a criminal offence may have been committed. Where IPSA has reason to suspect a deliberate breach of the Scheme, a referral will be made to the Compliance Officer.

If the Compliance Officer has reason to suspect a criminal offence may have been committed, they may suspend their enquiries and contact the MPS. Both IPSA and the Compliance Officer will assist the MPS with their initial assessment of the evidence and any further enquiries they undertake after that.

Further, the MPS or other police force may receive complaints from third parties (such as members of the public) alleging criminal abuse of the Scheme.

In such instances, IPSA and the Compliance Officer may be contacted to assist with police enquiries.

During the year 2024-25, the Compliance Officer has not referred any cases to the police.

It is crucial to consider the following:

- in circumstances where a referral to the police is made (as they have been in previous years), the referral does not indicate a determination by the Compliance Officer of criminal wrongdoing. Such a determination is not the Compliance Officer's to make
- referrals are made to ensure the strict demarcation between an investigation by the Compliance Officer under civil law and investigations by the police under criminal law. It is not the role of the Compliance Officer to investigate allegations/concerns of a criminal nature. It is right, therefore, that any such allegation or concerns that criminal wrongdoing may have occurred are referred to the appropriate force for due consideration
- the police have access to considerably more information and statutory powers than are available to the Compliance Officer. The police are in a considerably better position to prove – or disprove – an allegation than the Compliance Officer is, making them best placed to undertake any criminal enquiry

Furthermore, the Compliance Office take its obligations under the Data Protection Act 2010 (DPA 2010) and other privacy provisions very seriously.

The DPA 2010 legally binds the Compliance Officer to ensure that personal data, including the names of individuals referred to the police, is protected from unlawful disclosure.

The police are responsible for assessing and investigating criminal complaints. After that, should the Crown Prosecution Service (CPS) decide to bring charges against an individual, the relevant information will be disclosed under their procedures at the appropriate time and in accordance with the law.

The public interest is not served by breaching the Compliance Officer's legal obligations under the DPA 2010 or by prejudicing the work of the police.

The disclosure of the names of individuals referred to the police before any charges had been brought (or indeed, after the police or CPS had decided there was no case to answer) would constitute a serious breach of sensitive personal data. It would leave the Compliance Officer open to investigation by the Information Commissioner's Office (ICO) and subject to a possible monetary penalty.

G. Procedures for Investigations of the Compliance Officer

IPSA is required by the PSA 2009 to determine the procedures which the Compliance Officer must follow when handling complaints and requests for investigation alleging that MPs may have been paid a sum to which they were not entitled under the Scheme.

IPSA published the First Edition of the Procedures for Investigations by the Compliance Officer for IPSA (the Procedures) in July 2010.

After having been in place for more than one year, a review was undertaken, including consultation with the public and Parliament.

On 1 February 2012, the Second Edition of the Procedures took effect, and the Third Edition became effective on 1 January 2015.

The Fourth and current edition was published and became effective in May 2021 and are available on the Compliance Officer's website.

The fifth edition of the procedures were presented to the IPSA Board in December 2024 and the statutory and public consultation is now closed. The responses to the consultation were reviewed and taken back to the September 2025 IPSA Board meeting.

H. Complaints and investigations

One of the Compliance Officer's core functions is to investigate complaints that an MP has been paid an amount by IPSA in breach of the Scheme. Complaints can originate from several sources. Most complaints are made by members of the public (including councillors, opposing political parties, parliamentary candidates, and MPs' staff).

Further, as part of its regular operations, IPSA conducts regular assurance reviews of MPs' expenditure, often taking a holistic look at areas of spending over set periods. Through this work, outliers may be identified, requiring further investigation. These have in previous years been referred to the Compliance Officer for consideration.

Three cases were referred to the Compliance Officer in 2024-25 because of the assurance review process. Two of these cases were closed following assessment and after the Compliance Officer concluded there had been no breach of the Scheme, with no further action being taken, and the third case is in assessment phase at the time of writing this report. One case was referred following receipt of a complaint from a newspaper regarding an MP's office costs. This led to a formal investigation being initiated in 2023-24, concluding in 2024-25.

Finally, the Compliance Officer may decide to look at an issue on their own initiative.

During the reporting period, 130 new complaints were handled. These can be broken down as follows (please note, some complaints cover more than one category, and these figures do not include the cases carried forward from 2023-24):

Type of Complaint	Number of Complaints	
	2024-25	2023-24
Office costs	31	43
Staffing costs	15	18
Travel costs	2	4
Accommodation costs	2	6
Professional service fees	-	3
Outside remit	83	-

The overwhelming majority of complaints relating to MPs' claims under the Scheme were resolved to the satisfaction of all parties involved by way of a formal assessment, following the provision of additional information by the MPs' office.

In a small number of cases, complaints relate to a misunderstanding of the information published by IPSA. In such cases, no purpose is served by the opening of a formal investigation.

Nonetheless, the functions of the Compliance Officer must be conducted as transparently as possible. To this end, details of all complaints handled by the Compliance Officer each financial year, including the basis for the complaint, the

assessment outcome, and the rationale behind the outcome, are published on the Compliance Officer's website.

Full details of all investigations undertaken by the Compliance Officer can be found on the Compliance Officer's website.

Figures outlining complaints received and cases handled by the Compliance Office during 2024-25 are shown below.

Summary of cases handled during 2024-25

Cases carried forward from 2023-24	Cases opened during 2024-25 by quarter				Total cases opened during 2024-25	Cases closed during 2024-25[1]	Cases carried forward to 2024-25
	Q1	Q2	Q3	Q4			
5	26	52	30	30	138	137	6

Summary of IPSA referrals

Types of cases referred	No. of Referrals	Assessment
Altered documents	2	No breach of the Scheme
Office costs	1	Investigation initiated
Travel, accommodation and office costs	1	Investigation initiated

The table below outlines statistics for the past six years, including the number of complaints, reviews, and investigations conducted.

Year	No. of complaints received	No. of reviews requested and conducted	No. of Investigations conducted[1]	No. of cases referred to the police
2019-20	33	2	3(2)	3
2020-21	39	13	-(-)	1
2021-22	27	5	1(-)	-
2022-23	33	2	1(1)	-
2023-24	74	2	2(2)	-
2024-25	130	4[2]	4(2)	2

Note:

[1] The numbers in brackets denote a referral from IPSA resulting in a formal investigation.

[2] Of the four reviews requested, three were conducted as one was out of remit

I. Reviews

Upon the request of an MP, the other core function of the Compliance Officer is to review a determination by IPSA to refuse an MP's business cost claim in whole or in part.

During the 2024-25 period, there were four requests for reviews. These can be broken down as follows:

Subject	Outcome
Request by a departing MP to review the assessed value of an asset which they wished to keep.	Out of remit. No review conducted. MP agreed to pay the assessed value.
Request by MP to review IPSA Contingency Panel decision not to cover extended storage costs.	IPSA determination upheld and review dismissed.
Request by MP to review IPSA decision not to cover the cost of MPs staff Christmas evening meal.	IPSA determination upheld and review dismissed.
Request by MP to review IPSA decision not to cover cost of publications where IPSA has deemed them to be party political.	IPSA determination altered, and cost is split 50/50 with the MP.

Details of reviews conducted by the Compliance Officer are published on the Compliance Officer's website.

J. Freedom of Information Act 2000 (FoIA)

During this reporting period, one FoIA request was submitted to the Compliance Office and information was provided to the applicant. The applicant appealed the response believing there to be more material. The appeal upheld the original response.

K. Accommodation

The PSA 2009 requires IPSA to provide the Compliance Officer with adequate resources to discharge their functions. This includes the provision of office accommodation, IT, and telephony. The Compliance Officer has a private office within the IPSA premises at 85 Strand. As IPSA is an agile working organisation, the Compliance Officer has efficient and effective access to information, data and the executive of IPSA wherever they are based or operating from.

IPSA moved offices in June 2025 to Ivybridge House, Adam Street. While the Compliance Officer does not have a private office in this new premises, storage facilities will be made available for maintaining original records and case exhibits. The requirements of the Compliance Officer continue to be met by IPSA.

IPSA
Independent Parliamentary Standards Authority

L. Looking ahead

The 2024-25 financial year has seen a change in Compliance Officer, with Jonathan Blair-Tidewell leaving on 31 May and Matt Walker taking up this office from 1 June 2024. From the previous Compliance Officer starting in June 2023, there has been an increase in the numbers of recorded complaints. This was not specifically an increase in complaints, but a deliberate approach to record all complaints irrespective of whether they were in or out of scope for the Compliance Officer. One year on, and the Compliance Officer has continued in this approach in recording all matters which are reported irrespective as to whether they are in or out of scope. This provides the IPSA board with a fuller understanding of the total volume of work handled by the Compliance team. Furthermore, this assists the Compliance Office in understanding the broader scope of complaints being made and is valuable information for data and thematic sharing of information across the disciplinary and standards functions of the House of Commons. All compliance incidents are recorded on a dedicated database which is linked to a real-time information dashboard which is available to the Board and IPSA Executive at all times. A redacted version of the dashboard is periodically published on the Compliance Officer's website.

The Compliance Officer is championing greater information sharing between the complaints, standards and disciplinary functions of the House of Commons. This concept is being developed to assist in early intervention and prevention, both regarding any breaches of rules and to support the wellbeing of Members and Members Staff. The Compliance Officer has provided information through the Chair of IPSA Board to the leader of the House of Commons relating to this concept.

In his annual lessons learned report to the IPSA Board, the Compliance Officer has made five recommendations for IPSA to consider. These all being to improve understanding of the rules and are seen as essential in supporting trust in democracy as IPSA moves further into being a principles-based regulator.

During 2024-25, the staffing continued to constitute the equivalent of one full-time post (Compliance Officer for two days a week and an Investigations Officer, three days per week). As such, any changes to the Compliance Office function and approach must be realistic, if they are to be achievable and unlikely to interfere with the core role of the office.

The adoption by IPSA of a more risk-based approach to compliance will need to be matched by a more agile and intelligence-led methodology by the Compliance Officer.

The current ‘response’ approach to complaints is unlikely to achieve and maintain the high levels of compliance which the Public will continue to expect.

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