

## Minutes of a meeting of IPSA's Board

Wednesday 22 April 2015

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**Present:** Sir Ian Kennedy, Chairman  
Sir Neil Butterfield  
Liz Padmore  
Anne Whitaker  
Professor Tony Wright

**In attendance:** Marcial Boo, Chief Executive  
John Sills, Director of Policy and Communications  
Judith Toland, Director of Operations  
Naomi Stauber, Head of Board and Chief Executive Office  
Tony Stower, Head of Policy and Strategy

**Apologies:** Peter Davis, IPSA's Compliance Officer

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**Status:** Submitted for approval at the meeting of the Board on 18 May 2015

**Publication:** All sections for publication.

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

- 1.1 The Chairman opened the meeting and welcomed those attending.
- 1.2 The Chairman noted that apologies had been received from Peter Davis, IPSA's Compliance Officer.
- 1.3 The Chairman invited Board and staff members to declare any interests not previously recorded. No interests were declared.

## **2. Minutes of previous meetings and matters arising**

### Minutes

- 2.1 The minutes of the meeting held on 8 April 2015 were approved as a correct record, subject to a few minor amendments.

### Actions arising from the previous meeting

- 2.2 The Head of Board and Chief Executive Office noted that a number of outstanding actions had been completed since the last meeting. In particular, the Board was informed that the Chief Executive would write to the Liberal Democrat Chief Whip over the coming days, to inform him of the Board's determination concerning the funding of the Parliamentary Office of the Liberal Democrats and the Parliamentary Support Team.

### Implementation of the IT Strategy

- 2.3 The Chief Executive updated the Board on the implementation of the IT Strategy, including the key milestones for the next 12 months. The Board was informed that, during May and June, the IT team's priority will be to direct their time and resource to support, and successfully deliver, the activities relating to the General Election. In July and August, internal groups will assess the requirements of each part of the organisation, resulting in a formal statement of needs in the autumn. At the same time, tender documents for new contracts will begin to be prepared. Between January and March 2016, the Executive will know exactly which applications will be required and what the costs will be.
- 2.4 The Board noted that the timetable for the implementation of the IT Strategy indicated much slower progress than had been anticipated, and queried why certain elements, such as the MPs' data hub, could not be made available much earlier. The Chief Executive informed the Board that he did not want to implement quick fixes, prior to undertaking a thorough assessment of IPSA's current systems and understanding what the long-term needs of the organisation are. For these reasons, and with regard to the previous problems experienced as a result of using short-term measures, the suggested timetable was the most prudent.

2.5 The Chief Executive acknowledged the Board's request for the timetable to be accelerated and confirmed that he would do so, if at all possible, without compromising current operations, the thorough and comprehensive assessment of the organisation's needs, and the successful implementation of the strategy. This process of acceleration could be achieved by employing additional staff at the later stages of the implementation plan, to assist, for example, with writing the tender documents.

### **3. MPs' Pay: Draft Consultation Document**

3.1 IPSA's Head of Policy and Strategy presented the draft consultation document for the statutory review of MPs' pay for the Board's review. The document had been drafted in the light of the Board's workshop on MPs' pay in February, where it was agreed that the consultation document should be concise and focused on the question of whether there is any new and compelling evidence which should cause IPSA to alter its determination made in December 2013.

3.2 The Board discussed the content of the document in detail and noted, in particular, that:

- The document is the right length and strikes the right tone. It also makes clear that the forthcoming statutory review is of IPSA's previous determination made in December 2013, and the narrow question of whether there is new and compelling evidence which should cause IPSA to alter this determination, rather than a reconsideration of the wider question of the proper level of MPs' pay.
- Draft paragraph 6 refers to the changes that have been implemented to the resettlement policy, ending the practice of "resettlement grants" and replacing them with payments akin to redundancy. Whilst it is correct to say that MPs who serve one term prior to an election, and are defeated, will receive double the statutory redundancy payment up to a maximum of £6,960, to quote this one figure in isolation could be misleading.
- Draft paragraph 6 also refers to the reforms that have been implemented to MPs' pensions, and explains that these were previously on a generous final-salary basis, with the bulk of the cost falling to the taxpayer. IPSA replaced this with a career-average pension, as is available to other public sector workers, at far lower cost to the taxpayer. This message could helpfully be supplemented by some relevant figures to illustrate exactly where IPSA has made savings on behalf of the tax payer.

- Draft paragraph 15 should make clear that the “other factors” referred to are those that IPSA considered as part of the extensive consultation undertaken in 2013, which led IPSA to judge that a salary of £74,000 is appropriate.
- Draft paragraph 27 should make clear that Parliament determined that it was unacceptable for MPs to control the level of their own pay and created an independent body (IPSA) to do so.

3.2 The Board agreed to receive the amended consultation document for the statutory review of MPs’ pay at its next meeting on 18 May, for final review and approval.

#### **4. Compliance Officer’s Report**

4.1 In the absence of IPSA’s Compliance Officer, the Head of Board and Chief Executive Office updated the Board on the progress that had been made on a number of the cases detailed in the Compliance Officer’s report.

4.2 The Board noted, in particular, that the Compliance Officer had concluded the review that had been requested by Eric Joyce MP under Section 6 of the Parliamentary Standards Act, following decisions by IPSA to seek repayment of £5,850.60 of claims previously paid for staff’s travel and accommodation and £6,291.84 of payment card debt claimed for ineligible items. The Compliance Officer was in the process of finalising the report which details his findings, which would be published after the General Election.

4.3 The Board noted the importance of learning lessons from the findings of the Compliance Officer’s review, and ensuring that any issues highlighted are considered carefully in the context of improving the organisation’s operation, processes and systems.

4.4 The Chief Executive informed the Board that, since the publication of the report, he had formally referred a new case for the Compliance Officer’s assessment.

4.5 The Board noted the content of the report, and the verbal updates provided.

#### **5. Chief Executive’s Report**

5.1 The Chief Executive introduced a paper setting out the organisation’s activities since he last reported to the Board in March. He noted, in particular, that:

- There are only four MPs remaining who have not paid back their £4,000 loans, and that IPSA will be writing to them over the coming week to inform them that, should the loans not be repaid, IPSA will be initiating court proceedings.

- IPSA did not receive any FOI requests relating to MPs' debt that will require the information to be released prior to the General Election.
- The Chief Executive's most significant concern, as detailed in his report, had been the limited capacity of the finance team. However, these concerns have been alleviated by the arrival of two members of staff – one junior post, and one to cover the maternity leave of the Senior Management Accountant. Recruitment to two further short-term posts is in process, to work specifically on process improvements within the Finance team.
- In respect of the Management Accounts, the Executive plan to re-forecast month-on-month, and to improve how closely and frequently the figures are monitored.
- Matthew Lumby has been appointed to the post of Head of Communications, leading an enhanced team of three – including an External Relations Manager and a Social Media Manager. Strategies on engaging our external interested parties, and specifically on IPSA's use of social media, are being developed.
- David Natzler has been formally appointed as Clerk of the House of Commons. The Chief Executive will meet the Clerk next week to discuss a number of matters of common interest, including the 'anomalies' discussed by the Board at its strategy meetings in the autumn.
- In respect of the Chief Executive's latest snapshot of the organisation's activities, the Board noted that the process for dealing with the registration of MPs' leases has been redesigned in preparation for the General Election.
- IPSA's Head of Policy and Head of Operations travelled to Belfast in March to review the Northern Ireland Assembly's expenses system. They found the visit informative, and their presence was welcomed by the Assembly. A report for the Assembly is being prepared.

5.2 The Board noted the Financial Position and the Management Accounts for the Year-End, the KPIs for February 2015, and the list of the Chief Executive's and Chairman's meetings with MPs and officials since his last report.

## **6. The Board's Programme of Work from April to September 2015**

6.1 The Board noted that the meeting on 23 September 2015 would need to be rescheduled to ensure that IPSA's Director of Operations, whose presence is essential to a number of items on the agenda, is able to attend.

6.2 The Board asked the Head of Board and Chief Executive Office to consult on a new date for the meeting over the coming weeks.

**ACTION: Head of Board and Chief Executive Office to reschedule the 23 September meeting, in consultation with the Board members.**

**7. Any other business**

- 7.1 The Chairman enquired if there was any other business for report by the Board or the Executive.
- 7.2 IPSA's Director of Policy and Communications informed the Board that the Court of Appeal had issued its judgment in respect of the publication of receipts case. The judgement did not find in favour of IPSA, and will be published next week.
- 7.3 The Board discussed the implications of the judgement, IPSA's immediate next steps, and the handling of any press coverage.

Meeting closed.