

Minutes of a meeting of IPSA's Board

Wednesday 26 June 2018

Present: Ruth Evans, Chairman
Sir Robert Owen
Rt. Hon Jenny Willott
Will Lifford

In attendance: Marcial Boo, Chief Executive
Alastair Bridges, Director of Corporate Services
Vicky Fox, Director of MP Support Services
John Sills, Director of Regulation
Head of Policy and Assurance
Head of Communications
Senior Executive Assistant and Board Secretary (Minutes)
Administrative Support Officer (observing)
Deputy Operations Manager (observing)
Deputy Operations Manager (observing)

Apologies: None

Status: Submitted for approval at the meeting of the Board on 16 July 2018

1. Welcome and Declarations of Interest

- 1.1 The Chair opened the meeting and welcomed those attending, inviting the Board and members of staff to declare any interests not previously recorded. No declarations were forthcoming.

2. Minutes of previous meetings and matters arising

Minutes

- 2.1 The minutes of the meeting of the Board held on 9 May were approved as a correct record, subject to one minor amendment.

Actions arising from the previous meeting

- 2.2 The Board noted that IPSA's Public Engagement Strategy would now come to the Board in September rather than July. An update on the work would be provided to the Board at their July meeting.

3. MPs' Pay

- 3.1 The Board considered a paper from IPSA's Head of Policy, summarising the responses to the consultation on MPs' remuneration that had closed on 15 June. The paper recommended that there be no change to the way in which MPs' pay is set, and that IPSA retain the current methodology of linking MPs' pay to the average change in earnings in the public sector.
- 3.3 The Board considered the evidence that had been submitted, and noted that the responses to the consultation supported the proposed recommendation. They also agreed that consultation responses suggesting changes to MPs' staffs' pay would be considered when reviewing this towards the close of 2018-19 financial year.

4. Loss of Office Payments

- 4.1 The Board received a presentation from the Head of Policy setting out the responses that IPSA received during its consultation on MPs' remuneration about Loss of Office Payments. The presentation made three recommendations, based on the strength of the evidence received. It was recommended that the Board implement:

- the proposal to pay an amount equivalent to 2 months' salary to MPs who lose their seats.
 - the proposal to pay an amount equivalent to 2 months' salary amount to MPs who stand down at a snap election.
 - no further changes are made to existing arrangements for LOOP on the basis of the evidence that was submitted.
- 4.2 The Board noted that, in each case, the recommendation was consistent with the evidence garnered through the consultation, and so agreed that these recommendations be put in place. The Board agreed that decisions on potential changes to the MPs' pension scheme would be considered in September, but that an announcement on the Board's decisions on MPs' pay and Loss of Office Payments would be made in early July.

5. Annual Report and Accounts

- 5.1 The Board received a recommendation from IPSA's Audit and Risk Assurance Committee to approve IPSA's Annual Report and Accounts for 2017-18, following a detailed discussion of the Accounts at the committee's meeting of 26 June. The Board accepted the recommendation, and approved the Annual Report and Accounts.

6. General Election Assurance Report

- 6.1 IPSA's Assurance Analyst presented an assurance report on MPs' spending during the General Election of 2017 for the Board's review. The report showed clearly that there was high compliance amongst MPs with IPSA's rules.
- 6.2 The Board reviewed the recommendations contained within the report. They noted that one recommendation required MPs, if defeated or standing down, to account for the whereabouts of capital goods funded by IPSA. The Board agreed that this was right, but were clear that IPSA should consider implementing a minimum value threshold or other appropriate measure, to ensure that the task did not become too administratively burdensome for former MPs winding up their offices.
- 6.3 The Board approved the report and noted that it would be published in November, as part of IPSA's Annual Assurance report. They agreed to discuss whether IPSA's assurance reports might be published individually in future, rather than as part of an Annual Assurance report. This will be discussed at the Board's meeting in September.

7. Compliance Officer

- 7.1 The Board considered legal advice relating to the nature of their relationship with the Compliance Officer for the IPSA. Following the Board's meeting of 9 May, advice had been sought as to whether the Compliance Officer is accountable to IPSA with regard to the manner in which they conduct an investigation; and whether IPSA has any supervisory power in relation to the Compliance Officer's investigations.
- 7.2 The Board were satisfied that the resulting legal advice had shown that the Compliance Officer was not accountable to IPSA regarding the manner in which they conducted their investigations, and that the Board has no supervisory power in relation to how investigations are conducted. However, the Board were content that the legal advice also confirmed their responsibility to be assured that the Compliance Officer is fit to oversee the functions of the role. They agreed that inviting the Compliance Officer to future Board meetings and noting update reports would be the most effective way to do so.
- 7.3 They agreed that the current Compliance Officer should be invited to their meeting in September.

8. Chief Executive's report

- 8.1 The Board received the regular update report from IPSA's Chief Executive. The Chief Executive explained that IPSA had continued to make good progress on, and were now substantively compliant with, the General Data Protection Regulation since the Board last met on 9 May.
- 8.2 The Chief Executive also explained that work on finding a new office, with the existing premises due to be converted into a hotel, was also progressing well. The Board noted that an agent had been appointed to help IPSA find a suitable office, and that various sites were now being shortlisted.
- 8.3 The Board also noted planned changes to IPSA's staffing structure, and that a new Director would be recruited later in 2018, following the retirement of IPSA's Director of Regulation.
- 8.4 The Chair was grateful for sight of the results of IPSA's consultation on when MPs and their staff would like to be paid during December. The consultation had been run following receipt of a letter, co-signed by more than one hundred MPs, requesting that December salaries were paid earlier in the month. The consultation's results had shown the most popular option to be maintaining the existing date for the payment of salaries. Alongside this, IPSA will better promote its salary savings scheme amongst

MPs and their staff. The Board noted that these results would be communicated to MPs in early July.

9. IPSA Online Improvement Programme

- 9.1 The Board received the IPSA Online Highlight report for June. They noted that, since the Board last met, a decision had been taken to postpone the planned launch of IPSA's new expenses, payroll and finance system, and that a new implementation date had yet to be agreed. The Chief Executive explained that the decision to delay the launch was taken because a number of integral components to the new system had not been delivered in time by the supplier. This meant that further testing of the system would be required before a new launch date could be agreed upon with confidence.
- 9.2 The Board agreed that delaying the implementation was the correct decision, given other, high profile and recent examples of IT systems being launched unsuccessfully resulting in great cost and reputational damage to the organisations concerned.
- 9.3 The Board were concerned that the delay would impact upon the programme's costs, but understood that a definitive figure was difficult to determine until a new launch date was in place. They noted that the Chief Executive was also seeking money back from IPSA's suppliers, and exploring ways of restricting costs throughout the remainder of the financial year.
- 9.4 The Board stated their confidence in the new system, citing the positive feedback of MPs and their staff who had tested it. They gave their continued support to IPSA's Executive as they work towards the programme's conclusion.

10. Financial Management Accounts

- 10.1 The Director of Finance and Corporate Services presented his regular update paper on IPSA's financial position to the Board, noting that the delay to the implementation of the IPSA Online Programme had led to more pressure on IPSA's operational budget. He explained that options to reduce that pressure were under consideration, and that the impact of the delay would become clearer in July.
- 10.2 The Board were grateful for the update, and looked forward to receiving a further update at their meeting in July.

11. Board Programme of Work

- 11.1 The Board requested that the planned agenda for September should be reduced, so that more time could be dedicated to consideration of IPSA's strategy.

12. AOB

- 12.2 No further items were raised. The Chair thanked the Board and Executive for their attendance, bringing proceedings to a close.

Meeting closed