



BOARD PAPER	
Paper ref:	IPSA/130422/7
Agenda item:	6

TO: IPSA Board **DATE:** 17 April 2013

FROM: Peter Davis, Compliance Officer for IPSA

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SUBJECT: Report to IPSA Board by the Compliance Officer

APPENDICES: Appendix A – Investigations and complaints update

Issue

1. A report on the activities of the Compliance Officer for IPSA.

Timing

2. Routine – to be taken at the Board meeting of 24 April 2013.

Recommendation

3. That the Board notes the report.

Assessments and Investigations

4. Brief details of current investigations, assessments and cases closed since the previous Board report are contained at Appendix A.
5. The investigation into accommodation and travel claims by Nadine Dorries MP is progressing. Candid, without prejudice, dialogue has taken place with Ms Dorries lawyer. The Compliance Officer is currently awaiting further detailed responses and documentation from the MP that will be critical in influencing the future direction of the investigation.

Compliance Website

6. Following constructive discussions with the IPSA Head of IT and Information Management, the Compliance Officer and his Investigations Officer are currently preparing a detailed user requirement for the new website.

Work for IPSA

7. Following the receipt of Risk Management Guidance from HM Treasury, the Compliance Officer is working alongside the IPSA Head of Internal Audit and Assurance to assess the implications for the IPSA Strategic Risk Register.
8. Work has begun on preparing a draft revised Risk Appetite Statement and supporting paper for consideration by the Assurance and Risk Committee in June.
9. The Compliance Officer has a meeting scheduled with [name redacted] for the formal handover of matters pertaining to propriety and ethics.

Annual Report

10. The Compliance Officer has drafted his annual report which has been submitted to IPSA for inclusion in the IPSA Annual Report.

Appeal to a First-Tier Tribunal by Jim McGovern MP

11. As was previously reported, the hearing took place before the First-Tier Tribunal (Tax) on 14 March 2013.¹ The Tribunal decision was communicated to the Compliance Officer on 28 March 2013 and the Board were informed by [name redacted] the same day.
12. The judgement was drafted in a conciliatory fashion and affirmed, as had been requested by Mr McGovern during the Tribunal, that he had not sought to abuse the Scheme, that the facts were not in dispute and that the case had been brought by him as there was a disagreement over interpretation of the Scheme.
13. Due to the concession made by the Compliance Officer prior to the Tribunal, with regard to the second leg of the journey, the Tribunal Judge described the appeal as having been "allowed in part". However, in relation to the matter before the Tribunal, the Judge found in favour of the Compliance Officer.
14. The level of publicity which followed publication of the decision by the Tribunal is, whilst inevitable, also regrettable. The focus on the legal costs incurred by the Compliance Officer was correctly ameliorated by a general acknowledgement that it was Mr McGovern, as the appellant, who had sought to pursue this matter.
15. Following his concession regarding the second leg of the journey, the Compliance Officer, through his lawyer, made approaches to Mr McGovern in July and October 2012 seeking a, without prejudice, settlement. The correspondence to Mr McGovern of 1 October 2012, contained the following paragraph:

"Our client asks, without prejudice, that Mr McGovern consider again whether, in order to avoid what could be a costly Tribunal hearing and therefore a considerable waste of public funds, particularly given the amounts of the original expenses claim, to enter into a draft Consent Order."
16. It is worthy of note that no reply was forthcoming following either approach.

¹ Despite its name, this is the tribunal designated to hear appeals relating to decisions by the Compliance Officer.

Declaration of meetings

17. Since the previous report the Compliance Officer has held meetings with [name redacted], [name redacted] from the Metropolitan Police and [name redacted].

Peter Davis

Compliance Officer for IPSA

17 April 2013

Appendix A**Investigations and complaints update****Assessments**

1. The following assessments (opened under the Second Edition of the Procedures for Investigation of the Compliance Officer for IPSA) are currently underway:

Name	Category	Date Opened
[name redacted]	Travel Expenditure Accommodation Expenditure	16 January 2013
<p>The complainant, [name redacted], has made a number of previous complaints to the Compliance Officer and IPSA. On this occasion he alleges that [name redacted] is submitting claims indicating that he is resident with his family in the marital home in West London where he claims an 'uplift' for his dependent children. However, [name redacted] has a flat within his constituency and submits mileage claims placing him in the flat during weekends and public holidays.</p> <p>The complainant also alleges that [name redacted] has been incorrectly paid for a journey in November 2011.</p> <p>A meeting was held with [name redacted] on 16 April 2013 where explanations were provided and documentary proof produced. Once this material is assessed it is probable this matter will be closed without progressing to an investigation. Thereafter the number and nature of the complaints made by [name redacted] will require further consideration.</p>		
[name redacted]	Office Costs Expenditure	16 April 2013
<p>An allegation has been received that IPSA has funded a political newsletter distributed in the MPs' constituency alongside publicity about candidates for the forthcoming local elections.</p>		

Completed Assessment

2. The following assessment (opened under the Second Edition of the Procedures for Investigation) have been finalised since submission of the previous report.

Name	Category	Date Closed
[name redacted]	Office Costs Expenditure	10 April 2013
<p>A complaint was received that [name redacted] had claimed funding for a website which contained content of a political nature and therefore was outside the scope of the Scheme.</p> <p>In general, the website content was found to be similar to the other 301 sites funded by IPSA however, there was a sentence, which was rude and disparaging to his political opponents. Following dialogue with the MP, this has been removed.</p>		

Investigations

3. The following investigation (opened under the Second Edition of the Procedures for Investigation of the Compliance Officer for IPSA) is currently underway.

Name	Category	Date Opened
Nadine Dorries	Accommodation Expenditure Travel Expenditure	16 January 2013