



BOURNEMOUTH BH7 7JH

Tel:

-----Email:

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Review of MPs' Expenses
The Committee on Standards in Public Life
35 Great Smith Street
LONDON SW1P 3BQ

Dear Sirs,

In response to the questions in your document *Review of MPs' expenses: issues and questions*, I have the following comments to make (keyed to the questions numbers on pages 3-5):

1. The necessary elements of a system are, in my opinion, the following:
 - (a) That MPs should be expected to meet the same standards as do ordinary people. It is intolerable, for example, that an MP who has claimed £16,000 for mortgage interest on mortgage that had been paid off, can just apologise and say it was a 'mistake' due to 'sloppy accounting'. A member of the public who wrongly claimed this amount for housing or disability benefit or income support would be very quickly interviewed by the police under caution and probably prosecuted. The excuse give by the MP would be laughed out of court.
 - (b) The compilation of the Green Book should be undertaken by an independent, outside body, not linked to MPs. This body should not just consist of the 'great and good', but should include people from outside the political class.
 - (c) Evaluation of MPs claims should be made by an independent scrutiny body, who could evaluate individual claims (fully backed up by receipts) to ensure that they are within the guideline of being 'necessary to incur to ensure proper performance of parliamentary duties'. The scrutiny body could also judge individual cases, if an MP wished, e.g. to make a case for employing a member of his family.
2. Absolutely not. For the remaining two questions here, see above.
3. Judging from some of the reports that have appeared in the press, it does seem that the range of expenses that MPs can claim is too extensive. For instance, I cannot see why an MP needs to claim for food at a second home. Eating is something that would be done anyway at a first or second home. I would also suggest that there should be a lower limit of, maybe, £25 below which a claim would not be considered. I think that most people would not see claims for trivial items such as £0.89 bathplugs (if the press reports are true) to be legitimate ones.

4. It would appear not. The closeness of the Fees Office to the MPs must inevitably generate an atmosphere where 'leaning on' paid officials can occur by some MPs who may think that they should not be questioned. An 'arms-length' system is required whereby the claims can be evaluated in a cooler atmosphere, by people who are not directly involved. It has been suggested that this could be done by one of the large audit firms. This would seem acceptable, although I wonder if an existing government agency such as the National Audit Office might not be better. It has further been suggested that if this were done, then the FOI Act might not apply. If that is true, then this would be wholly unacceptable. All expenses must be open (see 12. below).

5. In principle, I am opposed to MPs purchasing second homes with the help of the taxpayer. In my view, it would be better for housing expenses incurred because an MP has to be based in London, away from their family home, to be based on rental, hotel costs, or government-supplied accommodation.

If, however, the current system of MPs being able to claim for mortgage interest, etc, is continued with, then MPs must reimburse the taxpayer for any capital gain made when the property is sold. This would involve:

(a) A much tougher regime of checking which property is the MPs first and second home, using a consistent rule across all government departments. No more claiming that a property is a main home to the tax authorities, but a second home to the Parliamentary authorities.

(b) Automatic payment of any capital gains tax.

(c) Repayment of all money paid to the MP for mortgage interest costs, upkeep, repairs, new fixtures etc (all of which would have an impact on the capital value of the property). At that point any gains could be kept by the MP.

9. The designation of second homes should involve very little discretion. Generally an MP requires some form of accommodation near Parliament and one in his constituency, unless he/she lives near enough to Parliament to commute. It is difficult to understand why an MP in one of the Home Counties is unable to commute as many of their constituents have to. Any rule cannot be absolute, however. If any MP wishes to make a case for a different arrangement, then they could apply to an independent scrutiny body.

10. 'No', with very little discretion. Again, if an MP does wish to make a case for employing a member of the family, then they could apply to an independent scrutiny body.

11. Yes. All claims must be supported by a receipt.

12. Complete disclosure should be made via the Internet, without recourse to the Freedom of Information Act. Scans of the original receipts and a downloadable statistical summary should be published. This should be made available centrally covering all MPs, and immediately on approval of the claim. This would not obviate individual MPs publishing the same information on their own web sites. Central

publication would ensure that public scrutiny was made easy, rather than a researcher having to look at 600+ individual returns.

13. Absolutely, yes. It seems absolutely essential that MPs should maintain some foothold in the real world of their constituents and people in the country at large. Unfortunately it does seem that many MPs base their jobs in areas that have little contact with real people (PR, merchant banking, the law, etc). Some way around this really needs to be found.

Yours sincerely



Alan Pritchard