

RECEIVED
27 MAY 2009

E289

ST CYRUS
MONTROSE

22/5/09

REVIEW of MP's EXPENSES
The COMMITTEE on STANDARDS in PUBLIC LIFE
35 GREAT SMITH STREET
LONDON
SW1P 3BQ

Dear Sirs,

I wish to make the following observations and views on the review you are conducting on MP's expenses. I have based my comments on the content of the "Revised Green Book" published on the 15th January 2009 (reference HC 142) and all references to page numbers etc refer to that book. As a foreword, I feel that a system, whatever it may turn out to be, cannot be decided upon and policed by the same people who will work under it, so an independent body should decide what should take the place of the existing system. This body must not consist solely of "establishment" personnel and should preferably have members of the general public included. When it has come to a preliminary conclusion, a "Public Satisfaction" test must follow, where the proposals are widely advertised and the public are allowed to comment prior to the final implementation of the proposals. At the end of the day, the taxpayer is the person who is paying for all MP's expenses and they must be fully aware that they are using public money and not their own and must fully realise that it is no longer acceptable to misuse other people's money. The timing is quite opportune as a UK General Election must be held within the next year, so I would recommend that the new system is implemented before the election so that candidates at the election will be fully aware of the terms and conditions in place before deciding whether to stand or not.

1. I fully endorse the Fundamental Principles in Part 1 of the book with the exception of the final point on page 7 which should read "Claims must be supported by documentary evidence." The paragraph should end at this point.
2. **PAAE.** This allowance is fundamentally flawed as it allows abuse of the system. I suggest that it is abolished completely and MP's homes shall be classified as the house he or she occupied prior to being elected. This will remain the same for all time a member remains an MP. If a Member chooses to move house for any reason, costs will be borne **entirely** at the Member's expense. Where a Member cannot commute to Westminster on a daily basis, he or she may claim the cost of hotel or guest house accommodation within commuting distance of Westminster and be encouraged to find the cheapest reasonable accommodation available. This would exclude the use of four and five star hotels. Members whose constituency

lies within commuting distance will not be eligible to claim these costs. I would suggest that a maximum two hour commute would be a reasonable timeframe. Commuting costs must be borne by the individual as no-one normally is paid to get to one's place of work. Further, the "£25 Subsistence allowance" must also be abolished. Member's salary of nearly £65,000 is more than sufficient to cover any expenditure incurred which might be covered by this allowance. Abolishment of the PAAE allowance would also abolish the requirement to claim for Furnishing and goods, gardening and upkeep of a property. Should PAAE be kept in some form, the Furnishings and goods, upkeep etc. allowances must stop. Anyone earning an MP's salary is well able to afford to furnish their homes at their own expense.

3. Additionally, should PAAE remain in some form, claims for utilities such as gas and electricity must not be allowed as it would be reasonable to assume the Member would be using these facilities at home. I may be reasonable to claim for "Duplication" taxes such as Council Tax etc where the duplication is verifiable.
4. **AOE.** Where a Member of Parliament requires Staff to assist in the running of his/her office, I would recommend that any such employee be recruited and paid by a Central Authority. Bonuses should not be payable. Where outside assistance is required, (Training, translation etc.) reasonable costs may be refundable, provided that a "Competitive Tendering" process had been employed.
5. **Travel Expenses.** Members should be obliged to use the House of Commons Travel Card for all journeys for the reasons stated on Page 20 and 21. All other travel including Spouse and children's travel costs must be borne by the Member not the taxpayer. Exceptions may be permitted for Staff members who **necessarily** need to travel on business. Travel to and from the constituency should be limited to three times per Parliamentary Session and "Advance" fares should be booked rather than full price fares. Exceptions would have to be accommodated and only in extreme circumstances (e.g. serious family illness, bereavement etc.) should extra payments be sanctioned. Parking charge allowance should be abolished.
6. **Resettlement Grant.** This is a nonsense and should be abolished forthwith. Any MP who chooses not to stand for re-election will presumably have decided not to do so before an election is called and will presumably have sought alternative employment. MPs leaving office during a Parliamentary term should also leave without this ridiculous grant. Any other person who chooses to quit a job does not get a handout from an employer. Those who choose to stand for the Westminster Government should be aware of the term of the Parliament and if unsuccessful in re-election do not require money from the taxpayer to soothe their battered ego in the process.

7. **Transfer of Allowances.** This should not be allowed under any circumstances. Where an MP's allowances have been agreed, the sum should remain the same during the term of the Session
8. **Taxation of Allowances.** This is a mystery to me. Allowances are exactly that and the notion of being tax deductible is wrong. Allowances are not paid for by an MP so should not be tax deductible by an MP.
9. **Auditing and Accountability.** Whichever system is put in place following your review, it is essential that all claims and expenses are fully audited by an outside body and Members shall be held accountable for their claims. Anyone found guilty of abuse of the system should face the same sanction as the ordinary man in the street, i.e. sacked. There should be no "following the rules", "muddle not fiddle", excuses.
10. **Expense Levels.** The situation regarding MPs setting their own expenses levels would to a greater extent be redundant if all of the above were implemented. However, in the event of a different system finally being adopted, expense levels must be sanctioned by an outside body which would be able to compare the expense levels of similar institutions and make a reasoned judgement as to MPs requests.
11. **Receipts.** All claims for expenses must be accompanied by receipts. *ALL* claims, no exceptions.
12. **Outside Interests.** If MPs are employed elsewhere or do paid work for a third party, they should receive a salary lower than a full time MP. I hear continually that an MP is so busy it makes me wonder how any MP has time to do anything else. Where such extraneous work is undertaken, I would suggest a decrease in salary of 33%.
13. **Ministers.** Consideration should be given to the purchase to sufficient numbers of properties in London (if none already exist, which I suspect they might) to accommodate Ministers thereby preventing any conflict between where they live and what they can claim for.

In general, I think it only fair that MPs be considered as any other employee in the public sector would be and the recent examples of abuse of other people's money, i.e. the taxpayer's, indicates just how far the system has been allowed to slide towards a wholly unacceptable system of unaccountable allowances and expenses which I feel is incompatible with the notion, oft heard on the TV, that MPs are in the job to try and make things better and not for the money. Whilst there is no doubt that all MPs are not in the same boat, the current system is no longer tenable and regrettably those who are not to blame will be tarnished with the same brush as those who are. Now might be a good time

to remind all MPs that they are elected to "Represent" the people not fleece the taxpayer and they **must** abide by the Code of Conduct for Members of Parliament agreed in 1995 as it is very obvious that some of the current bunch have definitely not been doing so.

In the medium term, and certainly no longer than the term of the next UK Parliament, consideration should be given to the use of 21st century technology in the running of Government. In this day and age, is it really necessary to transport 650 or so people from all corners of the country to London? Why can't video conferencing, Conference calling, IT and the Internet be used to conduct Parliamentary business. Use of these modern technologies would cut out a great deal of the problems associated with "expenses" at a stroke. In addition, it would modernise the somewhat anachronistic and outdated systems of the House of Commons and prevent MPs looking foolish as they leap up and down like a demented "jack in the box". Alternatively, Local Offices could be set up so that MPs would not have to travel regularly to London. For example, here in Scotland an office could be established in, say, Perth, which is a fairly central location, and Scottish MPs could work from there. There are currently only 57 of them and not all of them attend all sessions of the Westminster Parliament. Further such local offices could be established throughout the country. This would remove much of the need for expenses and allowances as MPs could work either from home or in their constituency office which would have the additional benefit of bringing them closer to their electorate.

In the longer term, I feel that if the UK Parliament were to remain at Westminster the current system and culture of Government would be difficult to change so consideration should be given to finding a new location for the Parliament, preferably out of London where cheaper offices could be found. This would have an initial cost, but would remove the old culture which seems to be stuck in the 18th century. A new home for the Parliament would bring the institution into the 21st century, which is *much* needed.

I hope this is of use during your deliberations.

Yours sincerely,

STEVEN BEATON