
From:
Sent: 04 August 2009 10:36
To: Inquiry
Subject: FW: Members Allowances Review

E731

Acw

-----Original Message-----

From:
Sent: 03 August 2009 21:09
To: public@standards.x.gsi.gov.uk
Cc:
Subject: members Allowances Review

Dear Sirs,

I have recently written to the Speaker, copy to my MP who I am also copying into this email, regarding headline comments in the Daily Telegraph on 28th and 29th July 2009 on the revision of MP's expenses claims. As a result, I received from the Speakers office a copy of the July 2009 revised Green Book rules, the Public Standards website connection and this email address with a suggestion that you are open to receive comments from the public on the revised rules.

The content of the July 2009 revision of the Green Book appears to be reasonably close to the rules that I experienced when employed as laid down by HM Revenue and Customs (HMRC). I shudder to think how the earlier version was worded to have enabled Parliamentarians to claim massive allowances as was reported causing such carnage within both Houses.

However, I still feel that the revised Green Book suggests a generosity that escapes 'ordinary' members of the public due to the tightness of HMRC approach to all matters fiscal.

Paragraph 1.3 page 8 final bullet point of the Green Book, evidences that the House is not learning the lessons of conformity as it states ".....the House has agreed.....". Far better to be able to refer to a 3rd party like "HMRC has agreed" when referring any need not to produce receipts! At least then MP's will not be seen to be giving themselves hierarchal rules denied to ordinary citizens. Parliamentarians, I assume, are taxpayers and should therefore, in my view, be confined in the same way as the citizens they represent. If the House then negotiates better terms with HMRC than is given to employers for their employees, it may still smell possibly of a degree of elitism, but at least Parliament can demonstrate that it has been through the same rigorous negotiation process. Also, Parliament will better understand how and why there was such public anger at the disclosures this year.

Turning now to the detail in the Green Book, I offer further comments as follows:

Paragraph 1.4 - The opening comment - I feel that whilst flexibility is admirable, some conformity to a 'Best Practice' model should be in evidence and policed by the Committee on Members Allowances.

Paragraph 2.1.2 - In the first paragraph after the bullet points, the 20 mile distance appears to be a tad generous or, does this distance tie in with HMRC rules on distances regarding expenses for personal house moves where 'required' by an employer?

It would it be better if the penultimate paragraph on page 13 only allowed switching between PAAE and LCA where a change of Parliamentary duties dictates the necessity, rather than merely leave it to the individual to flip between the two once a year at will. This would be easy to police.

Paragraph 2.1.3.2 - The £25 per day subsistence figure seems generous especially without a requirement for receipts. I appreciate, now that I have seen the Green Book, that the Daily Telegraph has sensationalised the per annum claim figure a bit but perhaps it was to motivate the public to make their voice heard. I would suggest cutting this to £5.00 per occasion receipt free, with a £20.00 meal allowance claimable against receipts and to exclude the cost of any alcoholic drink taken with the meal.

To assist with the policing of expenses claims generally, I would suggest that every MP keeps an expenses day by day diary that is available for checking against the paper claims submitted and should be audited, say, twice a year. It will then be possible to tie in travel claims, both on and outside of (paragraph 2.4.7 page 41) the Travel Card, with claims for subsistence allowances. It would also evidence which 'home' is the Main Residence. The system would be similar to the requirement for keeping a petty cash book where all office expenditure must be recorded - paragraph 2.2.4.7 page 24.

Paragraph 2.2.4.5 page 23 - Claims for additional costs for heat and light where the home is used as an office is impossible to police without additional meters for electric, gas oil etc. Such expense should not be satisfied with allowances. Being at home should be considered as a 'perk' that more than off sets the costs of being there. It is not necessary to heat and light the whole house to work in one room!

Paragraph 2.3.3.3 bullet point 2 - Maybe better worded thus: "Travelling between workplaces" This would ensure that HMRC will be satisfied that there is a clear rule that travel between home and a permanent workplace is not expense claim allowable. This rule also applies to 'Home to temporary workplaces' in certain circumstances. Consultation with HMRC will of course provide better clarification than I can give.

The pages on Travel Expenditure commencing on page 35 appear to give MP's some 'personal gain' opportunities by:

- Not appearing to require receipts to prove that if business or first class is claimed 2nd class was not the actual ticket purchased
- Allow MP families 15 return visits - one every 2.5 weeks that Parliament sits - to London every year which appears to be at odds with the statistic that I was provided with along with the Green Book stating that the average claim for new subsistence allowance in the first quarter of the year averaged just 8 days per month. Surely MP's can be parted from their families for 2 days per week? This allowance should be tailored and restricted to those MP's whose job responsibilities keep them away from their families for the majority of the year. The Green Book should be worded accordingly setting out the rules of differentiation.
- Not requiring receipts for car parking claims
- Allowing a blanket travel distance per constituency - paragraph 2.4.5.2 page 39 - all mileage should be claimed to abide by the HMRC annual total mileage rules. Paragraph 2.4.5.1 refers to adhering to HMRC approved rates - the HMRC approved allowances should also be adhered to.
- Paragraph 2.4.5.5 - I have already mentioned that only receipted travel claims should be reimbursed. It is to be welcomed that MP's are encouraged in print to use 'Best Practice' for travelling in the most cost effective manner but the paragraph should be tightened to ensure that there are excellent reasons why 'best deal' tickets were not used if such cases are presented

MP's must never forget that every penny they spend, even their salary income and office spend, is provided by public funds. They owe the electorate a duty of care with expenses claims that is beyond reproach even if it means that the cost of a robust audit and policing system is necessary to ensure that 'mistakes' are the exception rather than the rule.

Next on the agenda Strategic Health Authorities. Easy just abolish them.

I trust that you have found my suggestions useful. My motivation for this involvement is to try and bring some Churchillian type statesmanship back into politics so that the public can look up to their politicians not as saints, but as good, upstanding citizens with a 21st century common touch that the country can be proud of. Sadly, there have been too many rotten apples that have given the whole of Parliament a bad name.

Yours faithfully,

F : Newlands

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