

## REMUNERATION OF MEMBERS OF PARLIAMENT

E 743

There should be five components of MP's pay and expenses :

1. **A salary**
2. **Re-imburement of legitimate expenses actually incurred**
3. **Secretarial and administrative support**
4. **Accommodation**
5. **Pensions**

### 1. **Salary.**

The existing salary level of around £64,000 is more than adequate. Less than 5% of salaried employees earn more than £64,000 and for an MP coming in from a lower paid job there can clearly be no cause for complaint. At the other end of the scale someone who has been earning a six figure sum is clearly not becoming an MP for the money. The argument that a high salary is required to attract the right calibre of MP is in fact the reverse of the truth - we should not be attracting people who are attracted only by the salary and it makes it more difficult for MP's to follow their consciences.

### 2. **Expenses.**

Re-imburement of expenses must be limited to expenses actually incurred and be subject to full disclosure - see 'Transparency', below.

### 3. **Secretarial and administrative support.**

It is reasonable that every MP should be provided with an office, a secretary and perhaps a research assistant (this last open to debate). They should be recruited by the MP but paid directly by the state on a payscale determined by an independent body. The existing figure of around £90,000 is probably quite adequate.

### 4. **Accommodation**

MPs must spend much of their time in Westminster and must be available to vote at short notice. It is therefore reasonable that they should have accommodation in the area and appropriate that they should be able to entertain colleagues, visitors and constituents there. Therefore they need a dining room big enough to seat 8/10 and a sitting room large enough for, say, 20. One bedroom should be sufficient. However, flats with sufficient entertaining space will normally have two or three bedrooms, in which case the MP's office can be accommodated in the flat, relieving the state of the requirement to provide a separate office elsewhere.

We propose that every MP should be entitled to occupy a flat meeting the above specification, this property to be owned by the state (some ministers already have state owned 'grace and favour' accommodation). This will require a substantial 'one-off' initial capital cost but save the current annual accommodation allowances now being paid.

It has been suggested that all MP's might be housed in a single building, or group of buildings. We do not agree with this - it is not appropriate for MP's to live in such close proximity, constantly meeting each other and their guests and visitors in the corridors and it would serve to further distance them from the general population.

### 5. **Pensions**

Members should be encouraged to pay into their own 'money purchase' pension schemes with the state matching their contributions up to a maximum. It is only right that members' pension arrangements should be similar to those of a majority of their constituents - when considering legislation in this field it will align their interests with those for whom they are legislating.

## **Transparency**

It is important that all MP's expenses claims should be available to the press and the public. This will help to limit (although not eliminate) abuse of the system.

**Andrew Moncreiff**

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## **Additional notes on the accommodation arrangements :**

There are a number of options, one of which might run as follows :

Housing allowances will be discontinued. Existing MP's will be offered the opportunity to sell their London properties to the state at independent valuation, (but they may continue to keep them at their own expense if they wish). Some of them are larger than required and the MP could continue living there until leaving office, at which time the property could be sold and a cheaper property purchased in its place.

MPs who do not currently have a property in London should be allowed to find a flat up to an agreed maximum price which the state would then acquire for them to occupy. The state will pay rates and that element of the service charge which relates to the maintenance of the building, but not service charges which provide current benefits (eg central heating, hot water, concierge), nor cleaning bills.

On taking office an MP will be entitled to claim for decorating and furnishing the flat (within statutory limits) but thereafter all maintenance will be the MP's responsibility, however long he/she remains an MP.

After each General Election a number of MP's will lose their seats to be replaced by an equal number of new members. Either a new member could take over from the member he/she replaces, or the accommodation could be allocated to new members by ballot. Some of the new members will not be happy with the accommodation they 'inherit' and will wish to change it. In order to maintain some flexibility in the stock of properties a small proportion, perhaps up to 10% of each new intake and 5% of existing MPs, (determined either by seniority or by ballot if over-subscribed) should be allowed to find new properties costing up to the agreed maximum price. In all cases the properties would be bought, sold and owned by the state.

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