

Judge D

Miller
Hereford

E763

Tel:

5.9.2009

MPs' Allowances and Expenses

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Dear Sir Christopher,

Despite the numerous revelations in respect of MPs' expenses they have nevertheless approved a scheme by which they may claim £25 a night subsistence allowance when staying away from their designated main home. No receipts required even though there were assurances to the contrary that expense claims not supported by receipts would be unacceptable. Payments for such items as mortgage interest, rent, council tax and utility bills continue.

Such arrangements and inflated claims will continue whilst MPs' are responsible for their own allowances. It has, I suggest, become abundantly clear that no effective control is possible within Westminster and that outside scrutiny and examination is essential. There is such available and is highly regarded. It is the Inland Revenue.

Barristers are self-employed and have many of the same expenses as MPs', office rental, staff costs, travel, subsistence, stationery, postage, hotel expenses - sometimes for long periods. Being self-employed involves submitting annual accounts of expenses and income. Some expenses would be accepted, others not. As I was in practice as a barrister for over 25 years I have some experience of the system.

I suggest that likewise MPs' be regarded as self-employed and as such submit annual accounts to the Inland Revenue. Such a system would be seen by the public as fair and remove them from the present cosy arrangements within Westminster. Every MP would receive an annual sum to cover salary and all expenses. The present system of allowances, special payments, claims for rent, hotels, mortgages etc. would disappear. Each MP would decide how he or she wished to allocate the annual payment and make their own arrangements for staff and accommodation, sums properly spent on necessary expenses and approved by the Inland Revenue would not be subject to tax. It would free MPs' from the present burden of having to submit claims to the Fees Office, sometimes for trivial amounts. It would be approved of by the public since the annual sum paid would be known to all.

Two matters immediately arise for consideration

1. The amount of the annual sum. There would obviously be considerable debate and discussion over this. , my suggestion would be in the range £150,000 - £200,000. As I have stated above there would be no other payment or allowance of anykind, the sum paid would have to cover all items of expenditure. Office accommodation within Westminster to be provided as now but nothing further.
2. Should all MPs' receive the same amount no matter where their constituency is situated. Travel costs are increased with the distance from Westminster but overall costs of living are less. MPs' are entirely free to choose which constituency they would wish to represent and have to accept disadvantages as well as advantages. So I suggest that all MPs' receive the same annual sum.

To summarise. The present system of MPs' expenses is hopelessly flawed and will not improve whilst they are able to submit claims that are considered and approved within Westminster. Outside discipline is essential to restore public trust and the Inland Revenue is ideally placed to provide this. Having to submit annual accounts will place MPs' in the same position as many thousands of self-employed and instead of being able to submit extravagant claims for approval they will have to manage an annual budget.

Yours Sincerely,