

Surrey
26 May 2009

Sir Christopher Kelly, KCB,
Chair,
The Committee on Standards in Public Life,
35, Great Smith Street,
London, SW1P 3BQ.

Dear Sir Christopher,

REVIEW OF COSTS & EXPENSES OF MEMBERS OF PARLIAMENT

Context

Although your review is primarily concerned with expenses claimed by Members of Parliament (MPs), it is not context-free. The context in which this review is set includes, fundamentally, a perception by UK citizens that the conditions under which MPs are remunerated and reimbursed have become lax, with poor scrutiny, control and accountability. This lack of probity is embedded in a system where MPs determine their conditions of employment including remuneration and pensions. It appears that even this degree of control over their conditions is not sufficient for MPs, who have regarded the expenses system as a means of enhancing their overall remuneration, rather than purely reimbursement of reasonable out-of-pocket costs due to the nature of their employment. Thus your review should make reference to the need for a fundamental examination and determination of the basis and level of MP remuneration.

It is essential that the electorate see that the major change is that MPs should no longer set their remuneration. A completely independent organisation should establish MP terms and conditions and remuneration/benefits, including such arrangements for identified government ministers, and the relationship with Permanent Secretaries and senior civil servants. How about an increasing function for The Work Foundation, with its unique role in the UK. (I have no connection with anyone in the Work Foundation).

In reflecting on context it would be of benefit to your conclusions and recommendations if you took into consideration that UK citizens are increasingly sensitive to the growing gap between the most highly-remunerated individuals and those with the lowest incomes.

This is especially the case since there is a widespread perception that high remuneration, pensions, and incentives such as bonuses, share options as well as 'golden hellos/goodbyes' are awarded by either those receiving them or their 'friends' on remuneration or other award committees in both the private and public sectors. This is leading to a growing sense of unfairness and discrimination, which is stirring a great deal of anger among those who are discriminated against.

Parliamentary Services Office

To establish a degree of trust between the electors and their representatives in Parliament it is desirable to establish a system (which could act as a model for other large organisations in the public and private sectors) whereby the basic and routine functions of MPs are administered by a separate body to relieve MPs of the time-consuming financial transactions and potential for conflict of interest. Policy and standards of remuneration set by The Work Foundation could be administered by a small Parliamentary Services Office (PSO), comprising managers and staff with no conflict of interest in terms of financial benefit, nor who can be influenced by those whose arrangements they are administering. The PSO could be made accountable to The Committee on Standards in Public Life, who would review PSO performance half-yearly, and produce an annual report to the public.

MP domestic arrangements

Where Parliament is considered outside a daily commutable distance from the MP domestic residence (only one identified address allowed), the PSO would arrange accommodation (to an agreed standard of decoration and furnishing, in specified flats/rooms). Individual MPs would not have any ability to alter the standard of accommodation – the same standard would be applicable to all. Any additional personal items would be identified on an inventory and belong to the MP, and purchased on their own account (non-reimbursable). Where a Secretary of State qualified for a grace-and-favour residence (s)he would have to live in it and all the agreed costs would be administered by the Parliamentary Services Office.

MP office arrangements

Where MPs require an office and staff each would be allocated staff from a 'pool'. This 'pool', plus accommodation within various specified office locations, would be administered by the PSO. MPs would have no involvement in determining their accommodation or staff, and, under no circumstances would MPs relatives be allowed to participate in the pool of staff.

MP social and business meeting and travel arrangements

Where MPs wish to organise social functions/luncheons/dinners to meet constituents, business contacts, overseas/other parliamentary contacts/guests, such functions would be arranged by the PSO. The only role the MP would undertake would be to sign the bill that the service had been received. The PSO would be responsible for ensuring that the cost was appropriate, and within the terms agreed with the service provider.

Travel arrangements for each MP to/from constituency and to meetings with UK essential contacts would be administered through the PSO. The PSO would arrange appropriate tickets and book taxis. No money would change hands between MPs and travel providers.

Where **inter-parliamentary meetings/contacts** are desirable, such arrangements would be made between the relevant Secretary of State and the PSO, with the PSO administering all the arrangements. Proposed travels by the Speaker and officials of Parliament would need to be routed through a prior-approvals and authorisation system which could be the responsibility of the Leader of the House of Commons, and be administered entirely by the PSO.

Hopefully, after considering a remuneration and reimbursement system for MPs, The Committee on Standards in Public Life could progress consideration of a similar system for the House of Lords.

Having discussed this with similar like-minded supporters of parliamentary democracy and accountability, we feel that anything short of this very neutral proposal would be perceived as a lack of willingness to remove the potential for conflicts of interest and the continued abuse of privilege.

Please be radical and give us faith in the future.

Yours sincerely,

L. C. B. LONG (Dr.)