

Review of MPs' Expenses – submission by David Clelland MP

1.15 – 1. The essential elements of any support system for MPs to represent their constituents effectively should be those that a) allow a member to travel between the House of Commons and the constituency without hindrance b) ensures that MPs qualifying for expenses to stay overnight in London are treated equally and not subject to odious comparisons with their neighbours in order to pressurise MPs to reduce to the lowest claimant, thus allowing the 'buying' of parliamentary seats by bidding down; "I will not claim as much as my opponent". c) allows MPs to have an office in the constituency that is staffed by local people, accessible by constituents and sensitive to the local social culture.

1.15 – 2. No. The expenses necessary to travel between constituencies and London are fixed by the transport organisations concerned. The cost of overnight accommodation and car mileage are relatively easily calculable and should be decided by an appropriate independent body then updated at appropriate intervals.

1.15 – 3. No. I see no need for 'communications allowances'. However, there is a need for Office Costs, Travel expenses and Overnight accommodation allowances.

1.15 – 4. After the current controversy I would expect the system will quickly become self regulating as members will be scrupulously careful when submitting claims in future. The recently agreed arrangements for internal and external audit should be allowed a period to see if they are adequate.

1.15 – 5. Are we looking for value for money for the taxpayer or preventing MPs from, perhaps, making a capital gain? Mortgage interest payments can offer better value than rental or hotel bills in many cases. The taxpayer takes none of the risks in the purchase of property and has none of the liability. The taxpayer does not pay the capital and it is hard to see why then the taxpayer should reap the capital gain, or risk negative equity. The taxpayer should, notwithstanding some recent cases, benefit if there is a capital gain as capital gains tax will be due. There is no gain to the taxpayer for renting or hotel bills – there are however 'profits' but these go to landlords or hotel groups.

1.15 – 6. Adjusting pay to take account of the expenses associated with the job would be wrong in my view. Pay is pay, expenses are expenses and the two should not be confused. To hike salary sufficiently to cover the expenses required would mean a big advantage to those MPs who live near to Parliament, and use the House as their office, while other MPs would have a progressively lower salary the further away from London they lived.

1.15 – 7. Personally, I think there is a great advantage in MPs being the employer of their staff and having control over their offices. I see no merit in extending the current central procurement arrangements.

1.15 – 8. It is widely accepted that there are costs on members who cannot return home each evening. There are wide precedents for making standard 'subsistence' payments to those who need to seek overnight accommodation in the course of their employment. It should be a reasonably simple exercise to calculate a reasonable rate for staying overnight in London in a 3 or 4 star hotel. Once the rate is established that could be multiplied by the number of sitting days, divided by 12 and paid to all qualifying members on a monthly basis. This would ensure all members received the same. There would be no mortgage interest payments, no rents, no hotel bills and no

furnishings of any sort as it would be for members to make their own arrangements within the allowance.

1.15 – 9. If 1.15 – 8 above is accepted then 1.15 – 9 would be irrelevant.

1,15 – 10. Provided any relative is employed on the proper conditions and job description, and is clearly doing the work, I see no reason at all why this should be disallowed. I find the statement in para 3.24 “This would be regarded as a very unusual arrangement in many other walks of life....” as extraordinary. Has the author of that assertion never heard of ‘Steptoe and Son’ and the thousands of family businesses up and down the country? Is he/she unaware of the number of sons and daughters who follow their parents into similar, and sometimes the same, employment? My own wife has worked for me for 23 years (although she has only been my wife for 5 years). She is an Honours graduate in History and Politics and came to me from a very senior job with the Association of Metropolitan Authorities in London where she was paid at Civil Service PO2 grade. (far more than she is paid now for a 24/7 job). My wife is widely acknowledged as an asset to my constituency and she is the hardest working person I have ever known. I know that there are other MP spouses in similar situations and doing a very good job. I see no reason why good arrangements such as these should be ended because of a few exceptional transgressions or blind prejudice.

1.15 – 11. I understand the National Audit Office saw no reason to abolish the £25 limit for incidental claims. Experience shows that MPs are ridiculed when they submit claims for small amounts, which means they are now obliged to bear the first £25 of all claims themselves if they want to avoid such ridicule.

1.15 – 12. Apart from the possible exception mentioned in 1.15 – 11 above I see no reason why all receipts should not be available.

1.15 – 13. No.

1.15. – 14. No