

E382 - J Hesketh

I have been struck by the number of MP's who have sought to acquire property within proximity to Westminster, when neither their full term as an elected representative nor the cost associated with maintaining said property make any sense. There would appear to be no logic in taking on a second mortgage for a term of 25 years against the likelihood of the losing their seat at a general election within a 5 year period.

It is entirely reasonable that person would see that such a move would be take the gain that has come from property ownership, with costs met by the taxpayer, without any benefit being returned back to the taxpayer. I think that this is an underlying cause of much of the current anger directed toward MP's and which has brought both individual members and the institution such disrepute.

I believe that the way forward would be for Parliament to establish a specialist Housing association specifically for MP's whose requirement is to have a secure home for their tenure in Parliament. Such a scheme would enable MP to have accommodation available that meets their individual needs, with the option of either 0 or nominal rents and would thus remove the need to make provision for the ACA. The Parliamentary Housing Association (PHA) could also extend its remit to arranging the provision of accommodation for researchers and other staff within Parliament who may find difficulty in securing affordable accommodation. My guess is that Parliament in common with other public bodies has difficulty in finding and retaining staff that are essential to its proper functioning precisely because of accommodation cost in central London.

Whilst I accept that the establishment of a PHA would have a significant capital expense in start up, I think the long term benefits to all parties including the taxpayer would far outweigh the initial cost. It would also ensure the supply of secure accommodation to an agreed standard and could possibly take advantage of lowered housing values in generating a property portfolio.

The current level of mortgage interest / rental allowance as proposed would be translated into a cost stream to finance any acquired portfolio. Where MP's who have acquired property following their election, the PHA could acquire these homes (possibly at a discount?) and thus remove any further damage that may arise from subsequent private gains being made at the expense of taxpayers. I would also proffer that it would challenge MP's to examine their real housing needs in order to perform their function.

My suggestion has the further benefit of removing any requirement for MP's to designate primary or secondary homes and would give clarity and transparency to all those involved.

J Hesketh