

REVIEW OF MP'S EXPENSES

A WRITTEN SUBMISSION BY KEVIN BARRON MP

1. What are the necessary elements of a system which both supports MPs properly in the performance of their important and demanding role and commands public confidence?

Personal salary, plus the ability to live in two places if you don't represent a London seat. The means to run a constituency office and adequate staffing for Westminster and Constituency.

2. Is it right that the House of Commons should be in a position to determine the nature and size of its own expenses scheme? If not, what are the alternatives? Who should be responsible for approving the content of the Green Book which sets out the basic rules?

It is not right that Parliament should solely decide its own expenses scheme. Alternatives should be looked at that are independent of parliament, but must have parliament's confidence. There are many good examples where decisions are made for the public sector that parliament has created itself. There is no reason why an outside body could not set out basic rules.

3. Are the range of expenses which are currently reimbursable correct? Are the correct judgements being made about the resources MPs need to perform their jobs effectively?

Broadly speaking the answer to this is yes. The issue that has been put into the public domain recently, is the size and scope of allowances.

4. Are the arrangements for policing the expenses system adequate? If not, how should they be reinforced? Is there adequate independent involvement? Are the new arrangements for internal and external audit introduced at the beginning of this financial year adequate?

Clearly the arrangements are inadequate and have been for many years. It is difficult to give an opinion on the new audit arrangements. My work on the Standards and Privileges Committee since the last election has clearly shown that even when some members were challenged about their claims, there was an inadequate system of arbitration available to the department who administer expenses.

5. If it is the right principle that MPs should not expect any element of personal financial advantage through the claiming of personal expenses, what approach should be taken in situations such as the support of mortgage interest which does offer the possibility of such advantage but which may nevertheless provide better value for money to the tax payer?

When I was first elected you could not use the overnight allowance to pay interest on mortgages. I believe there is nothing wrong with this principle to support mortgage interest payments from the now ACA. It is the scope that the allowance is used for that is wrong. As you imply, better value for tax payers may be achieved by paying for a more restricted use of ACA. Issues such as basic furniture purchasing could be afforded to new members when or if they decide to rent or buy unfurnished accommodation, but not for ever.

6. However logical the approach to reimbursement of expenses, is it possible that its implementation throws up so many difficulties, including difficulties of explanation to the wider public, that there is a case for considering a radical simplification which costs the same or less than the current arrangements? Would it be acceptable for some increase in the level of basic pay to form part of that?

This is a major problem. You could argue that the reluctance by parliament to increase salaries is one of the reasons why you are involved. Even when we have had independent reviews the latest being the John Baker review, the first thing that happens is Government and parliament refuse to implement it. Political posturing by all sides guarantees there will be no consensus. Just look at what has been said and done by party leaders over the last few weeks since your committee was asked to do this inquiry and leaks started appearing in the press about expenses. I agree it would be possible but I suspect impractical to increase the level of basic pay to form part of simplifying current arrangements.

7. Where reimbursement is made in respect of expenses such as the cost of running an office, should this payment continue to be made as an additional personal expenses allowance to MPs? Or could the payment be made directly by the House authorities or in some other way? Is there a case for more centralised procurement through the House of Commons authorities? If so in which areas might such procurement take place?

I do not think procurement through the House of Commons of staff would work. I am still confused why the decision was taken recently in parliament to change current arrangements. In my view the staffing allowance is one of the most understood allowances we receive. I agree that who works for me and what they are paid has to be within an agreed range. Contracts of employment are also agreed and lodged with house authorities. All monies are dispensed by them. When there has been a failure to these arrangements it is when members have been dishonest with the system, therefore proper audit is required.

8. What is the best way of providing recompense to those MPs who inevitably have to spend time away from their main home on Parliamentary business?

One of my parliamentary colleagues recently said in the media we (from afar) should have three nights bed and breakfast each week. In my view this was headline grabbing and ill informed. I have travelled to London on a Sunday for many years and never go back until Thursday. Since the last general election I have chaired a select committee and I spend time in London during recesses. Without a London base to live, it would be practically impossible to do my work as an MP adequately.

9. How much discretion should the system allow about issues like the designation of second homes?

I have to say that some of the revelations in the press recently have shocked me on what appears to be the ease to re designate your second homes. That said there was or is a rule that ministers of the crown have to have their main home in London. I should also say that personal circumstances can change especially if you have a family. My circumstances, when elected in 1983, were that I lived in the constituency, had a wife and family living and schooling there when clearly my need was to be able to stay in London. If I had lived in London and been elected to represent the Rother Valley, I may have wanted to move my family there. A number of my parliamentary neighbours did and therefore would have needed assistance in constituency not London.

10. Is it acceptable that MPs should be able to employ spouses or other family members? If so, what safeguards are necessary?

Until my wife's sudden death last year she had worked for and with me for many years. Once the children had left home, circumstances changed. She was well qualified and able to do the work she was paid for. Of course, like me she rarely got time off. Even Sundays were spent travelling when the house was sitting. Her sister has worked in my constituency office for over twenty years, I poached her from administration in the NHS. I never at any time thought or have ever been accused of some form of conflict of interest. The essential thing is that they do the work they are paid for and that I can trust them implicitly, especially with confidentiality and the political sensitivity of the job. There have been two high profile cases lately where that wasn't the case. One was getting paid for something they should not have been, childcare and the other for very little evidence of work done. These were eventually exposed and dealt with. Auditing should have been in place many years ago to stop this abuse.

11. Should receipts be required to support all claims for reimbursable expenditure?

Yes it should. That said I am not sure that window cleaning and jars of coffee for the office are going to be worth the effort of collecting and submitting receipts for. A sensible petty cash amount would be better and possibly more cost effective.

12. What level of detail of expenses claims should be routinely available to the public without the need to make Freedom of Information Act requests for it?

I have no problem with what should have been published in July.

13. Is it acceptable or desirable that MPs should be able to receive remuneration for activities outside Parliament? If so, should that be reflected in any way in the treatment of their Parliamentary pay and expenses? Is there a need for further regulation or guidance on these activities?

I do not have a problem with outside remuneration provided it is declared in the member's interest. The recent decision of parliament may prove to be over prescriptive to the extent of making every thing we receive declarable. It would have been better to wait for your deliberations before taking this decision. Until January of this year I spent nine years as a lay member of the General Medical Council and I felt the banding of how much you received and by who was adequate

14. Should MPs be reimbursed for expenditure incurred on newsletters and other material designed to inform the public about their work?

I initially voted against the Communications Allowance. In part this may have been self interest with the very predictable pattern of referrals to the commissioner for standards for misuse. I have since used the allowance in a sensible non party political way, to engage with my constituents and believe there is justification for it. It may be worthwhile getting somebody to do a survey of what the public think.