



HOUSE OF COMMONS  
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Chairman  
Committee on Standards in Public Life  
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16 June 2009

*Lee S Christopher,*

I was grateful for the opportunity to meet you last week as part of the "delegation" from Parliament First. As you will have immediately detected we did not come with a "corporate" position and I would, very briefly, like to reiterate the points I believe are most important.

1. I believe there is a perfectly good case for a second home allowance provided the rules are tightly drawn and independently monitored. I think it would help if two clear principles were established: that the home where one's spouse/partner and children are based is regarded, a priori, as one's main home; there should be consistency between the way homes are nominated for the purpose of allowance and the way they are declared for purposes of tax and a mechanism to alter arrangements where there is a clear case for doing so approved by an independent body. The range of expenses which can be recovered should be limited and I think the latest changes agreed by Parliament pretty well meet the bill. There is a good case for a one-off setting up allowance for newly elected MPs.
2. It would be invidious to insist on a strict rule that required all main homes to be in London or in the constituency. There is little point in Parliament introducing "family friendly" hours if the families cannot be located in London or close to it. This is particularly true because "family friendly" hours are often theoretical rather than real since business can be timetabled to any hour on any day.
3. It would be entirely wrong to replace the second home allowance with a large salary increase. First I doubt whether this would be acceptable to the public – and both Government and Opposition parties have a very long history of funking any such decision. But, more important, it would have a hugely differential effect on MPs according to where their constituency was located. An increase in salary to deliver in pay an amount roughly approximately to an average of the claims on second home allowance – for example – would be a straight income addition for MPs who could commute to London on a daily basis but would bring precious little, if any benefit, for MPs with more remote constituencies.

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There have been some suggestions that there could be zones radiating out from London but this seems very clumsy and likely to be difficult to devise in practice – see the history of the Area Cost Adjustment in Local Government finance.

4. It is easy enough to argue that MPs should not be able to profit from the eventual sale of second homes but much harder to devise a mechanism which eliminates this. How, for example, would one distinguish between the value added by capital improvements made out of an MP's own resources compared with the value of the property sustained by the parliamentary allowance devoted essentially to maintenance? Mortgage interest payments may well be cheaper than rent so any mechanism which implicitly promoted renting over purchase could end up costing the taxpayer more. The easiest solution would appear to be some form of cap on mortgage interest relief and an insistence that the properties must then be subject to Capital Gains Tax on their eventual sale.
5. You asked about MPs having jobs outside parliament. I responded only half frivolously that it should be compulsory! If outside jobs are banned there is a minor problem and a major problem. The minor problem is defining what exactly is outside work? Would it be paid work or voluntary work? Would an occasional article be described as work? Would a farmer have to cease all activity on his farm. The judgement made upon an MP is whether he or she participates fully in parliament and discharges responsibilities to the constituency. In other words MPs should be judged on outcomes. The major problem is that we keep telling ourselves that MPs should not become a caste apart from the rest of the population but nothing could turn MPs into a caste apart more rapidly than the insistence that they should not maintain activities outside parliament which bring them into contact with "the real world". It should not be forgotten that MPs outside activities very often inform their work in parliament and cannot be described simply as competing claims upon their time, energy and commitment.
6. Employment of relatives. I think we should begin by rejecting the notion that our situation is analogous to that of a plc. MPs run something closer to a very small business. There is a great deal of value added in having a spouse, in particular, working for an MP not least in the additional hours they are likely to put in. Since spouses are constantly being asked to play a role in the constituency – and some Associations regard them as their private, unpaid property – it seems inconsistent to expect them to work in the constituency unpaid but be forbidden from working in parliament. I make these points entirely dispassionately having never employed any member of my family whatsoever.

I hope these points are helpful to you. — I am content for you to treat the text as evidence.

DAVID CURRY