

PRESS NOTICE

PN215

30 June 2008

COMMITTEE ON STANDARDS IN PUBLIC LIFE - MEC REPORT

The Committee on Standards in Public Life was invited by the Leader of the House to express its view on the proposals put forward by the Members Estimate Committee on MPs' allowances before the debate on MPs' pay and allowances in the House on 3rd July.

The Chairman of the Committee, Sir Christopher Kelly, today wrote to the Speaker of the House:

Dear Mr Speaker,

The Leader of the House has invited the Committee on Standards in Public Life to express a view on the proposals from your committee about changes to the system of allowances for Members of Parliament. As the Leader indicated that the purpose of this would be to ensure that my Committee's view was known before the expected vote on the 3rd July, I am proposing to release this letter publicly.

We are not in a position to comment at length on the proposals. We would only want to do that after following our usual practice of taking evidence and hearing the arguments so that such comments can be evidence based.

But we have looked at the broad thrust of the proposals against the set of principles which we suggested earlier. I can say that there are a number of aspects which my committee welcome. In particular we were pleased to see the proposals for a more robust system of audit and assurance, based for the most part on claims backed by receipts, and by the implied acceptance of complete transparency about what is claimed. Taken together, these seem to us to be significant steps towards the establishment of the robust regime that MPs and the taxpayer have the right to expect. We also welcome:

- The separate proposal that would remove from the House the need to determine the level of their own salaries.*
- The reforms proposed for the arrangements for paying staff.*
- Tightening of other rules, in particular removing the ability to claim under the Additional Costs Allowance for items of furniture assessed against the so-called John Lewis list.*

- *The fact that your committee has not – as widely predicted in the press - proposed the replacement of the Additional Costs Allowance by an equivalent adjustment to pay (which would have created a major confusion between pay and the reimbursement of expenses).*

I do not intend to comment further at this stage. It must be for the House in the first instance to determine whether the proposals are likely to be sufficient to secure the objective of restoring public confidence. We look forward to hearing the debate.

But we note that, as the report acknowledges, the proposals focus on audit and assurance rather than structural change and that they do not address every aspect of the arrangements which have been questioned over the last few months. My Committee will therefore want to continue to monitor the position carefully to see whether there are in practice continuing public concerns or clear and obvious deficiencies in the new arrangements or in their implementation.

Yours sincerely

Sir Christopher Kelly

Ends

Notes to Editors

1. The Leader of the House invited the Committee on Standards in Public Life to comment on the Review of MPs' Allowances from the Members Estimates Committee (Business Questions 19 June 2008) before the House of Commons debates these issues on 3 July. The Committee has previously issued a statement of principles governing MPs' allowances (10 April 2008).
2. The Committee's standing terms of reference are: "To examine current concerns about standards of conduct of all holders of public office, including arrangements relating to financial and commercial activities, and make recommendations as to any changes in present arrangements which might be required to ensure the highest standards of propriety in public life".
3. On 12 November 1997 additional terms of reference for the study on the funding of political parties were announced by the then Prime Minister as: "To review issues in relation to the funding of political parties, and to make recommendations as to arrangements." The Committee's terms of reference specifically preclude it from investigating individual cases or specific allegations of misconduct. Nor has the Committee any powers to require others to do so. But the Committee may take account of information on material cases in formulating its recommendations.
4. The full current membership of the Committee is: Sir Christopher Kelly KCB (Chair), Lloyd Clarke QPM, Oliver Heald MP, Sir Derek Morris MA Dphil, Dame Patricia Hodgson DBE, Baroness Maddock, The Rt Hon Alun Michael JP MP, Dr Elizabeth Vallance JP and Dr Brian Woods-Scawen DL CBE

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