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E211

Dear Sir Christopher

Re: Review of MPs' expenses by the Committee on Standards in Public Life

I am responding to your review of MPs' expenses consultation.

As far as pay is concerned, I believe that the new arrangements, where pay is linked to an outside comparator, are satisfactory so long as that system is honoured by the Government of the day.

Reimbursement of expenditure should be linked to the actual expenditure incurred, subject to appropriate limits. A similar system ought to be in place for this to be set by an outside body, although it is difficult to see what form of comparator could be used, bearing in mind the extremely unusual, if not unique, nature of the office.

Accommodation

As an outer London MP, I have personally elected to switch to the London Salary Supplement from formerly ACA.

I believe it is inevitable that outer London MPs will have to accept that the allowance for a second home should cease, but it is necessary to recognize that the problem is not the distance, but the length in time of the journey and the time the journey takes place. At the time of preparing this letter, for example, the previous night the House finished voting at 1.30am. Several London Members were left stranded as, apart from night buses, public transport had ceased to run. I gave two MPs a lift home, as I had my car. It is rather ironic that House officers are provided with a taxi service home after late night divisions, a number of whom earn far more than MPs, but MPs who need it do not get this provision.

I believe it would be fair to suggest that if London and home counties MPs are to lose the PAAE, then when the House rises extremely late at night, the House ought to provide a centrally paid for taxi home. This is particularly so for women MPs.

More generally, in relation to the PAAE, I believe the recommendations that the Standards and Privileges Select Committee made in relation to the designation of the second home have much to commend them (I am a member of that Committee). We should have a "check list", which contains a number of criteria against which the decision could be judged.

Personally, I took the view that I should claim for the cheapest of the two properties, when I was claiming this allowance, in default of any other guidance. I also took the decision not to claim for anything towards the cost of purchase of the property.

Overall, though, I believe the only way that the problems will be resolved is by switching entirely from a purchased property, to rental or hotel accommodation. I appreciate that research has shown that this might work out more expensive to the taxpayer in the long run, but against that we have to balance the reputation of Parliament which in itself is dependant on transparency and the need to demonstrate clearly that there is no profit element. Any purchased property arrangements inevitably lead to risks that would jeopardize these arrangements. Parliament's reputation has a price tag as a consequence, but I think it would be a reasonable one.

Administrative and office support

Concerning MPs staff, one of my long running concerns has been the lack of an effective London weighting arrangement for staff. This works to the comparative disadvantage of London MPs whose entire staff will be based either in a London constituency office or at Westminster, when compared to other MPs whose staff may in large part be based away from Westminster, in their constituencies. It is well known that there is a significant differential between staffing in London and in the rest of the country. I submitted detailed research evidence on this issue to the SSRB when they were reviewing these allowances and I will happily make this available to you if you wish.

As far as family members are concerned, I think it would be very difficult to exclude this. I do not employ any family member myself. If family members are to be banned, then they would have to be banned from working for any other MP as well, otherwise there would be a risk of developing "switching" arrangements where one MP's relative works for another on a quid pro quo basis. What is important is complete transparency, should an MP employ a relative; and I believe the new rules we have introduced support this. MPs need to be clearly on notice that if employing a member of their family, they are going to be under greater scrutiny, as a result.

I do not support the proposal that the staffing allowance should be switched to making staff direct employees of the House of Commons. The reason for doing this is to avoid the allegation that the money somehow goes into MPs' pockets. Even if the budget is switched to the House of Commons in the way that has been proposed, this will not avoid that allegation. We can see this in relation to centrally purchased computer equipment, which still appears on our annual allowances returns and is always added in, even though we have no say in the procurement process.

The disadvantage of direct House employment, is the challenge of the independence of the MP, the accountability of the MP for his staff and of the staff to the MP. It could also raise complicated questions, once the MP leaves office. There would also be the issue about what terms and conditions would apply, as other Commons staff are employed on normal civil service arrangements.

Other office support

Again, I submitted detailed research evidence to the SSRB about the differential in office rents between London, and other major cities, and elsewhere in the country. I do not believe it is appropriate or fair that the significant differential is not reflected in the allowances for constituency offices.

I also believe it is not fair that those who choose not to run a constituency office retain the whole of the allowance which can then be used in Westminster, on, for example, extra staffing.

Moreover, it is not just the question of the rent in the constituency office, but the significant additional costs, including utilities, business rates and telephones, all of which do not fall to those MPs who only maintain a Westminster office.

I believe it is desirable that MPs should have offices in their constituency and the present system counter-intuitively works against what, I would suggest, is this desirable objective.

As far as central procurement is concerned, whilst this sounds like a good idea, in practice whenever the House is involved in central procurement it works out more expensive: I am certain that I could buy the computer equipment which I'm supplied centrally, for example, far more cheaply, if I was allowed to do so.

Travel expenditure

I do not believe it would be fair to expect MPs to pay for travel between their constituencies and Westminster. This can hardly be equated to the average commuter, who travels to work and returns on a daily basis. I do not comment on family travel, as this is not a matter of which I have direct experience.

Communications expenditure

I very much support the objective of communications expenditure. The rules are now clear and increasingly tight, to ensure that this is used for the purpose it is intended, informing constituents, in a non-partisan way.

I believe it is bizarre that in the age of communications and when the public expect increasing accountability from public servants, there are suggestions that we should not be accountable to the constituents, in this way.

This is a vital way of both reporting to our constituents on our activities and matters in Parliament, and also to inform them of how to contact us.

Indeed, I believe there would be significant criticism of MPs who do not communicate with their constituents effectively and keep them informed.

Leaving Parliament

I believe that it is wrong to suggest that MPs work on a “fixed term” contract. In recent decades, there has only been one Parliament which has gone its full term. Whilst the current Parliament may do so, there is no guarantee that it will. MPs therefore have no clear termination date for their contract and will receive at best 4 weeks or so notice of a forthcoming election, which may or may not lead to their re-election. During that period, if seeking re-election, the MP is hardly in a position to look for another job, either. As to the actual date of termination, a defeated MP receives no notice at all, other than a few minutes warning from the returning officer of the result.

Any normal employee on a fixed term contract would know well in advance the date of the expiry of the contract and would be able to make arrangements for alternative employment or renegotiation of the contract.

An MP cannot renegotiate the contract in the same way, nor make arrangements for future employment, with no clear termination date.

As someone who has now served in the House for 12 years, if I was in the outside world I would be entitled to a minimum of 12 weeks notice under long-standing employment law. That does not apply in my present position.

Moreover, when an MP leaves office, either on retirement or after defeat at an election, he or she does not immediately cease to work the next day.

There is a major task involved, of disengaging from, in my case, approximately 3000 current cases and ongoing correspondence, as well as arranging for moving out of Parliament and the constituency office and sorting out staff. Whilst MPs receive no salary for doing this work, it has to be done, because it would be irresponsible to leave thousands of constituents without having their papers returned or cases concluded promptly, if that is possible.

With no termination payment, former MPs would be asked to do a considerable amount of work for nothing, with no resources, whilst at the same time trying to find another employment, with no income, redundancy payment or notice payment to fall back on.

Having specialised in employment law as a solicitor prior to coming to the House, I have not come across any other employee, on fixed term contract or otherwise, who would be placed in a similar position.

Administration and enforcement

I have seen the draft of the letter sent to you by the Chairman of the Standards and Privileges Committee, and broadly agree with the views expressed concerning the question of enforcement.

I believe that the present system could benefit from lay representation on the Standards and Privileges Committee, but the independent investigations by the Parliamentary Commissioner for Standards I have always found to be fair, impartial and just.

I believe part of the problem is “trial by newspaper” where MPs are automatically assumed to be guilty, before any defence has been advanced or examined. Where cases are investigated, the facts are often found to be very different to the newspaper allegation.

The Committee has significant penalties available to us, and when the most severe penalties are imposed, it also has to be borne in mind that the MP in question’s political future is almost certainly at an end.

I hope that these comments are of assistance and if you would like to have the worked up evidence to support “the London case”, I will be happy to send this to you.

Yours sincerely,

Andrew Dismore
Member of Parliament for Hendon