

COMMITTEE ON STANDARDS IN PUBLIC LIFE

Review of MPs' Expenses

SUBMISSION

from

David Wilshire

Conservative MP for Spelthorne (Middlesex)

1. INTRODUCTION

The Freedom of Information Act has exposed matters relating to allowances and expenses that seriously damage MPs, undermine parliament and potentially threaten our democracy. Urgent independent action to end the crisis is needed.

The conduct of individual MPs has damaged all MPs. The justified public anger currently makes it difficult for MPs to correct inaccurate reporting, explain their point of view or propose a new system for the reimbursement of necessary expenditure.

Referring the whole issue to your committee was therefore essential. Instant solutions decided by those who devised the discredited system will not restore public confidence. Your committee must be allowed to do its work at the fastest speed it considers sensible. Its recommendations must then be implemented in full.

This submission will strike some as special pleading. Sadly there is nothing I can do about this except explain that I believe a fair and lasting solution requires an input from those with personal experience of the work, pressures and difficulties arising from being an MP.

These then are the thoughts of someone who has had the privilege of serving 70,000 constituents for nearly 22 years (almost all of it from the backbenches) and whose age (65) means I am not attempting to protect my own future career.

2. THE SEVEN PRINCIPLES OF PUBLIC LIFE

I doubt that any reasonable person would disagree with these principles. However, any set of principles needs to be placed in a context - in this case politics. This set was written for people seeking to deliver objectively determined value-neutral services to others. This is appropriate for charities, voluntary work and non-governmental organisations.

Political work includes seeking to turn a set of values into the action needed to advance those values and thus achieve societal changes. Decisions based on values cannot avoid being subjective and those who do not share the values are bound to consider the decisions partisan.

It is impossible to separate the objective and subjective work of politicians. It follows that attempts to restrict expenditure to “appropriate” activities (involving such things as communicating, paying MPs and funding parties) is unrealistic. The best that can be achieved is arrangements that seek to prevent abuses and excesses.

3. THE WORK OF AN MP

This submission focuses on parliamentary work. It treats ministerial work as a separate job (equivalent to an outside interest for a backbencher).

An MP has many roles, including doing political work (attempting to turn values in to action), holding the executive to account (which conflicts with being a government minister), and helping constituents (irrespective of for whom they vote).

Two activities are central to doing this work: Taking decisions (a collective activity requiring one to be part of a majority); and, using influence (an individual activity).

These roles and activities result in a distinctive method of working. MPs are required to work in two places (as distinct from, say, a salesman who has a single base but travels regularly). Before collectively voting MPs need to influence others and seek support via informal contact with colleagues outside the chamber as well as by attending formal debates. Using individual influence requires spending working time with those one is seeking to influence.

This means that it is unrealistic to only use the hours and days that parliament sits as the measures for establishing work load, hours worked and support needed. Apart from when taking a holiday, I work very long hours in every recess, and even when a sitting ends at 7 pm on Wednesdays my work normally continues until at least 10 pm.

4. THE SOCIETAL STATUS OF MPs AND POLITICAL PARTIES

This has a big impact on their role and work. It would therefore be helpful if your committee could clarify its thinking on the following:

- Are MPs employees or self-employed?
- If employed, who employs them (the state, their party or their constituents)?
- Are parties independent groups of like minded people or quasi official state institutions?
- Do independent groups and state organisations raise different regulatory issues?

5. WHAT AN MP NEEDS TO DO THIS WORK

Because each constituency is different (geographically and demographically) no two MPs have the same workload and therefore the same needs. Meeting them needs flexibility. Uniform responses and inflexible rules are unlikely to provide a stable long-term solution.

To discharge their elected role MPs they need the following facilities and opportunities to do so:

- **The support required to enable MPs to work in two places**

The tasks facing an MP could easily become a fulltime job in both the constituency and at Westminster. This creates enormous time, domestic and personal pressures.

It is impossible for the majority of MPs to commute to Westminster on a daily basis. This means they need accommodation or reimbursing for the cost of obtaining their own.

Being at Westminster (or in ones constituency) is much more than being away from the office from time to time. MPs need help to live reasonable personal lives. Asking them to use hotels or providing them with a room in an accommodation block is unreasonable.

I understand the concerns about paying mortgage interest, but if I were renting my small flat within easy walking distance of the House of Commons my rent would be between £1,500 and £2,000 per month. Prior to the recent interest rate cuts my mortgage interest was about £1,400 and is now about £300 per month.

A possible solution would be to agree the reasonable needs of individual MPs (which would vary from MP to MP) and then set a personal maximum rental figure. If an MP opted to purchase, the reimbursement would be limited to the actual interest paid or the maximum rental figure (whichever was the lower sum). Arrangement for the initial furnishing and equipping of a second home are also necessary.

Limiting reimbursement to costs arising while the House is sitting would penalise MPs who have all their staff based at Westminster and regularly work there themselves during recesses.

- **The facilities and equipment needed to enable MPs to carry out their work**

An MP needs a properly furnished and equipped office (including stationery and other consumables) both at Westminster and in the constituency. These costs should be reimbursed within a realistically-set limit.

Listing computer provision, stationery and postage as a separate allowance is unnecessary as IT equipment is as essential as filing cabinets and telephones (which are not listed separately).

- **The staff necessary to enable MPs to discharge their duties**

The demands on an MP's time have grown enormously in recent years. My mail bag/in box is now contain over 20,000 items per year (leading to 30,000 replies). My constituency case work has also increased very significantly. My chamber, committee and special parliamentary responsibilities are such that there is no way I can do all my own research and preparation.

The consequence is the need for three fulltime staff – a manager/secretary; a researcher; and a caseworker. These are qualified professional people who must be remunerated accordingly.

One of my team is my partner. I understand the sensitivities of this arrangement – which is why she has a formal job description and a proper contract. She has the necessary skills and her personal knowledge of my constituency is second to none. Being based at the House of Commons makes such an arrangement totally open and transparent. This is an invaluable arrangement. Loyalty, confidentiality and support are absolutely essential for an MP. In addition to her official working week she devotes many additional hours without extra pay (often working in the evening and on Saturdays and Sundays). Additionally, it enables us to see each other during the working week.

- **The means for an MP to meet the needs of constituents**

As well as receiving help with personal problems and obtaining answers to queries, constituents expect a number of other things from their MP (including easy access and information about the work being done by their MP – which requires the production and distribution of reports).

MPs also need to know the views of their constituents but to regularly call on 40,000 homes is impossible. They therefore need to carry out research (typically by surveys and questionnaires).

All this generates expenditure as does hiring rooms for Advice Surgeries, advertising contact details and maintaining web sites. Abolishing the ability to recover the cost of effective and efficient communicating would be a step backwards.

- **The independence essential for fulfilling an MP's role**

MPs need some space between themselves, their parties and parliament. This raises the question of their employment status. MPs are not civil servants, nor should they become party or parliamentary employees. Each MP must remain free to decide how they fulfil their role. and must Hedging around MPs with excessive bureaucracy will weaken their ability to stand up for their constituents against the growing power of the state and their parties.

MPs must also continue to employ their own staff (rather than have them supplied by parliament). Breaking the direct managerial link between MP and staff would make MPs less independent and therefore less effective.

- **The opportunity to develop and retain an understanding of the lives of those they represent**

Constituents rightly expect their MPs to identify with and understand them. Having worked in the world beyond politics before becoming an MP is helpful. Keeping in touch with the non-political working world once elected also helps.

An MP's salary, facilities and support must therefore be sufficient to attract people who have had as wide a range of experiences and jobs as possible. Expecting people to accept pay cuts and/or poor facilities could return parliament to a place for the wealthy or those subsidised by special interest groups.

Care must be taken to ensure that any new salary and expenses systems should not attempt to encourage people to become MPs soon after leaving school or university and remain there until retirement.

Just as government ministers have "second jobs", MPs must not be prevented from having outside interests (provided they do not undermine the ability to serve constituents properly).

6. THE REASONABLE EXPECTATIONS OF MPs

In return for serving 70,000 constituents (typically for over 60 hours per week), an MP needs three other things.

- **A stable pay and expenses framework**

Once the current crisis has been overcome and the fixing of pay and expenses passed to independent bodies, MPs need a degree of certainty about their salaries, pensions, accommodation and expenses. Frequent rejections of proposals and the sudden implementation of changes have a demoralising and destabilizing effect.

- **The support of society and the media**

The current crisis has led to the public withdrawing their support from MPs and parliament. This has to be restored for democracy to work effectively. It will not be easy. Your committee has a big role to play in this.

The media performed a public service by exposing wrong-doing, but reflection is needed on whether its reporting turned from reporting facts to campaigning against individual MPs (and thus adding to the damage done to parliament and democracy by MPs themselves).

Whatever are your committee's proposals for change, it is essential that the public and media (as well as MPs) accept them.

- **A reasonable personal and family life**

Having to work in two places and be available to constituents 24 hours per day for 365 days per year can all too easily damage an MP's personal and family life. Pay and conditions must therefore also take account of the need to enable and assist MPs retain as near a normal personal and family life as possible.

7. TRAVEL

- **MP Travel**

Travelling between two places of work and as part of ones work are accepted by HM Customs & Revenue as legitimate business expenses. Travel from home to work is considered a benefit in kind and is treated as income and taxed accordingly. If your committee is minded to end home to work claims this would be a cut in pay rather than an ending of a reimbursement.

- **Staff Travel**

Staff need to travel regularly between Westminster and constituencies. If the low current limit were raised it would enable staff to be more flexible and deliver better value for money.

Currently staff cannot claim for foreign travel and accommodation. For most staff this is understandable, but often MPs whose official parliamentary work takes them abroad for several days on a regular basis have a real need for staff support (just as a minister needs civil service support). Your committee might feel that allowing staff to accompany members subject to prior approval would be an appropriate response.

8. THE NEED FOR TRANSITION ARRANGEMENTS

In evidence in April 2008 your committee said a new system should be in place before the next General Election (i.e. two years later). That election is now a maximum of 11 months away so the suggested transition period has been halved.

The transition period for having to sell a second home is even shorter. Notwithstanding the recent decision of the House regarding second homes, your committee may recommend a different solution – so certainty will not be achieved until later this year. Asking MPs sell their second home by 1st April 2010 would then be unrealistic.

Banning the employment of family members with only a few months' notice would lead to compensation claims and family difficulties. Allowing existing arrangements to continue until retirement would seem appropriate.

9. NEAR LONDON CONSTITUENCIES

Although my constituency is not in Greater London it is one of those affected by House's decision to end accommodation claims for MPs representing seats near Westminster. The early thinking about this issue related to seats in Greater London but was then extended to a few beyond its boundary.

When Middlesex was absorbed in to Greater London my constituency was left out and added to Surrey because it was considered very different and detached from London. Access to Central London is more difficult, public transport is much poorer and its individual communities are more distinctive and separate. The far edge is only just inside the distance limit set by the House.

On Mondays and Tuesday I rarely get back to my flat a few hundred yards from parliament before 10.30 pm and on Wednesdays it is often after 10 pm. I regularly have to be in my office before 8.30 am. Door to door commuting takes at least 90 minutes. This means daily commuting would result in my regularly getting no more than 5 hours sleep a night.

Representing a constituency in a Shire County routinely involves visiting public service providers and attending official meetings throughout Surrey. Such work in a London Borough normally only involves local visits and meetings. Thus the distances I have to travel, the time it takes and the costs incurred are greater than for a Greater London MP.

Even if your committee feels unable to propose allowing Spelthorne's MP to claim the full accommodation allowances, I hope it might be able to propose a partial allowance – as the London Supplement was not designed to cover the cost of an MP having to spend several nights a week in a Central London hotel or to meet the extra costs arising from representing part of a Shire County.

10. FOOTNOTES

- Justified anger is leading to firm and swift action to end abuses. This could easily lead to over-reaction and over-regulation. Hopefully your committee will see an on-going role for common sense.
- Your invitation to comment indicates that you are willing to take oral evidence. I would welcome the opportunity to appear before your committee.

David Wilshire MP

House of Commons, London SW1A 0AA

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