



EVIDENCE TO THE INDEPENDENT PARLIAMENTARY STANDARDS AUTHORITY CONSULTATION ON MPS' EXPENSES

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The Hansard Society is the UK's leading independent, non-partisan political research and education charity.

We aim to strengthen parliamentary democracy and encourage greater public involvement in politics.

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The Hansard Society submitted written evidence to the Committee on Standards in Public Life and subsequently gave oral evidence to the inquiry. This evidence has been made available to IPSA. We have therefore decided to respond only to those questions where we have concerns or where we have anything to add beyond our previous evidence in light of the consultation proposals or in light of developments since the CSPL inquiry.

Q4: Do you agree with our approach to the submission of claims?

We support the approach outlined. However, some clarity as to what kind of information will be redacted by IPSA prior to publication (e.g. personally confidential information such as bank account and national insurance numbers) should be provided publicly from the outset for the reassurance of parliamentarians, staff and public alike.

Q5: Are you content with our proposed approach to the publication of claims?

There should be a clear distinction between: (a) resources made available to MPs for normal staff and office support which are not paid directly to the MP and from which they should derive no personal benefit; and (b) reasonable reimbursable expenses paid personally to the MP. To aid this distinction in the public domain the data for claims falling within categories (a) and (b) should be published at different times and the distinction should be clearly flagged up.

Q6: Do you support the idea of requiring MPs to produce an annual report of their use of public funds?

We have concerns that this will represent an unnecessary bureaucratic burden on both MPs and IPSA which will actually serve to elucidate little that should not already be available via the publication of individual claims and payments. When submitting a claim, each MP should certify with their personal signature that the claims are made in accordance with and having due regard to the principles governing the system. Providing that the claim submission forms require a sufficient level of detail about the expenditure (for example, requires information not just naming the company/organisation to which the invoice refers but also what the expenditure has specifically been incurred for) then this will provide the detail necessary to explain how public funds have been used.

Q7: We propose that MPs are eligible to claim for accommodation expenses unless their constituency contains a station within London transport zones 1-6. Do you agree with this approach?

Drawing a line to distinguish eligibility for accommodation will inevitably be somewhat arbitrary and there will always be some perceived 'winners' and 'losers' whose constituencies are nearest to that line. No suggested system offers a perfect solution.

However, the Zone 1-6 approach has the merit of clarity and administrative simplicity.

The alternative suggestions of travel either by car or public transport of up to 60 minutes from Westminster could be utilised but would be less simple to determine and fairly administer. A clear risk of such an approach would be that IPSA staff could end up having to make individually subjective judgements about distance and travel times between a constituency location and Westminster and these may become a point of public dispute and contention.

It is true that many members of the public have a commute of more than one hour to and from London each day. However, rather fewer members of the public regularly commute at 11pm and beyond several nights each week and then have to be back at their location of work early in the morning as is the case with MPs. Although the formal sitting hours are 2:30pm-10:30pm on a Monday and Tuesday, in reality these are the sitting hours of the House of Commons Chamber. Most MPs are required either in their constituency (on a Monday) or at the House of Commons (Committee or other similar work) much earlier in the morning before the Chamber sits. It should also be borne in mind that although sitting hours might be subject to future review these will not necessarily favour an earlier end to the parliamentary day. Indeed, in the event of a hung Parliament, for example, it is quite possible that normal voting and sitting hour arrangements will not apply.

It should be made very clear to all MPs, particularly those whose constituencies lie close to the line delineating eligibility for second accommodation, that the provision of such accommodation *is not an automatic right and entitlement* and the option need not necessarily be exercised by them. Whilst this may not prevent that small number of MPs who live close to a station in zones 1- 6, but where the station is not actually located in their constituency, from claiming for second accommodation, it will be for them to publicly explain and defend why they are not commuting to a station used frequently by their constituents. By providing a new level of transparency in relation to the provision of second accommodation (not previously available under the old system), it should act as a restraining pressure on MPs who lie close to the eligibility line.

Q10: Do you agree with our proposed approach to accommodation expenses for MPs with caring responsibilities?

We do not believe it is IPSA's responsibility to ensure that the House of Commons becomes a more representative body. However, equally, we believe IPSA's approach should not become a barrier to the prospect of securing more diverse parliamentary representation in the future. We are particularly concerned that if the system is drawn too stringently – for example, only one bedroom accommodation can be rented – then this may be particularly off-putting for existing or potential female MPs with younger, pre-school age children. We acknowledge that this may also be a challenge for some male MPs but note that in reality the balance of child care responsibilities continues to fall disproportionately on women.

In the short-term, the key to the system should be some degree of flexibility within capped financial parameters for property rental. In the long-term, if IPSA is to adopt a system of centrally provided accommodation then the key should be flexibility of

provision to take account of individual circumstances, in the same way that a university, for example, provides larger or more suitable accommodation for new students with children or students with a disability.

Q14: We propose to prohibit the use of public funds in the employment of family members by MPs. Do you agree with this approach?

Recruitment of staff and the management of their employment should remain the responsibility of MPs. However, the employment of family members by MPs has raised serious issues in relation to the use of public money and the private financial gains derived by the MP and his/her family from such an arrangement, the degree to which proper employment practices are adhered to, and the potential for conflicts of interest that exist.

Many other legislatures around the world ban the employment of family members and it has become clear in recent months that this is an issue about which the public feel strongly. Trust and confidence in the system may be linked to some degree to resolving this issue. There are, however, issues of legality and enforcement that need to be addressed prior to implementation. However, it should be noted that a family member could legitimately seek employment in the office of another MP to which they are not related, should their skill set be such that they are the best person to be employed in the post concerned, for example as a researcher or executive secretary. As with the appointment of all staff, the recruitment process should be demonstrably competitive and evidence of this should be provided to IPSA prior to the issuing of contracts.

Q18: What impact do you believe our proposals might have on the diversity of representation in the House of Commons?

See our response to Question 10.

Additional issues

The consultation document does not invite specific comment on the proposal set out at paragraph 12.14 in relation to employer's contributions towards pensions for MPs' staff. However, we have concerns about its implications. The issue was not, as far as we are aware, dealt with by the Committee in Standards in Public Life. However, IPSA now proposes that the 10% contributions which have hitherto been provided centrally by the House should in future be made from MPs' staffing budgets. Yet the consultation document does not make clear whether or not IPSA also proposes that the staffing budget should therefore be uprated by 10% to facilitate this. If the 10% staff pension contributions are to be taken from the existing staffing budget this will mean in many instances a significant pay cut for many staff with potential knock-on effects in terms of service to constituents. Given that MPs' staff do not have formal union recognition to make representations on their behalf this will place many of them at a serious disadvantage. If the change is made for ease of administrative purposes and the staffing budget is to be uprated to reflect this then the proposal would be acceptable, providing it is made clear to members that the 10% pension provision is not an optional payment to staff but a requirement. If the proposal is being made in order to cut costs and the staffing budget is not to be increased then

we believe that this would be a regressive step that will not serve the interests of the public. It will be highly detrimental to the service that the public can expect from MPs' staff in the future and will make recruitment and retention more difficult.

ENDS

