

**Re-Examination**

**of**

**Scottish Parliament**

**Reimbursement**

**of**

**Members' Expenses Scheme**

**Submission by**

**John Wilson MSP**  
**30 September 2009**

**John Wilson MSP Central Scotland**  
**Submission for Re-Examination of Scottish Parliament**  
**Reimbursement of Members' Expenses**

Having made a contribution to the Review Panel prior to the publication of the Independent Review of Parliamentary Allowances in March 2008, shortly after becoming a new Member of the Scottish Parliament in May 2007, I feel it is important to be able to note my experiences of the operation of Members' Allowances System since this time.

Recent events in Westminster during 2009 have drawn attention to the Members' Expenses systems which are in operation in at Westminster and the devolved Parliament and Assemblies. Widespread media coverage brought to attention the perceived inadequacies in scrutiny which are currently in operation throughout all Parliamentary Members Expenses Schemes.

In response to this, the UK Parliament, alongside both the Northern Ireland Assembly and the National Assembly for Wales, has taken the opportunity to re-evaluate their approach to expenses. As with the above, the system of reimbursement of Members' Expenses which currently operates throughout the Scottish Parliament could similarly benefit from adjustment in areas which in my mind continue to reflect unfavourable bias upon some MSPs and which lack consistency with approaches adopted elsewhere. There remain several areas which must be addressed to maximise the accountability and transparency necessary to operate a trusted system of reimbursement of Members' Expenses in the Scottish Parliament.

As part of attempts to increase openness, the appointment of family members has come to the fore in recent reviews and debates. At present, the Scottish Parliament allows the appointment of immediate family members by MSPs although demands that this information is registered with the SPCB. Similar procedures are required within the UK Parliament, as MPs are required register the employment of family members on the Members' Register of Interests, Part 2 under category 11. On 23<sup>rd</sup> June 2009 the new Code of

Conduct announced by the Northern Ireland Assembly also compels MLAs to register family members which are remunerated through the Office Cost Allowance.

Serious questions however must be raised as to the fairness of the recruitment process in relation to the employment of family members who are remunerated from the public purse. This view was endorsed in June 2009 by the *Independent Review Panel of the National Assembly for Wales* which recommended that appointment of family members should cease. This policy has also been adopted by the European Parliament. While existing staff should remain to be employed, recommendation 66 of the review, entitled 'Getting it Right for Wales: An Independent review of the current arrangements for the financial support of Assembly Members' published in July 2009, states that 'any new recruitment of support staff should be subject to recruitment procedures in line with the new policy and with the Nolan principles'.

Significantly in its approach, the National Assembly for Wales has taken a huge step towards re-affirming public confidence and one from which the Scottish Parliament would similarly benefit.

However an area that could merit further consideration by the current McIntosh Review, relates to the employment of a family member(s) of an MSP by another MSP. Under the current Register for Declaring Employment of Members' Close Relatives, which came into force on 27<sup>th</sup> November 2008, it is clear only where it involves a direct relative employed by the individual related to the MSP. Existing arrangements do not address the cross-over arrangements where an MSP may employ a family member/relative of another MSP. Therefore, it leaves open the question of who some staff are employed by and on what basis. It is my opinion that any family member of an MSP employed by the members staffing allowance scheme should be declared whether directly employed or employed by another MSP.

In terms of fairness, MSPs continue to be at a disadvantage in relation to the substantially lower staffing costs paid out from the Members Service Allowances in comparison to the equivalent in the House of Commons at Westminster. As such staff retention remains a problem for MSPs who often must resort to employing staff on a part time basis or relying on Internship placements for brief periods of time.

Another area of concern relates to the Edinburgh Accommodation Allowance. While this was largely addressed in the Langlands Independent Review of Parliamentary Allowances carried out by the Scottish Parliamentary Corporate Body (SPCB), it could be argued by some that further tightening is required. While I welcome the recommendation to remove payments of an allowance to meet mortgage interest costs, more must be done to ensure Members are not perceived to be profiting from the use of public monies for second properties.

I would argue that a re-evaluation of the existing categorisation of constituencies, where a Member has their main residence and are therefore eligible to recover the costs of overnight expenses, is necessary as it is apparent that this system could be open to abuse. It is reasonable to envisage a situation that where a Member elected in a constituency which falls within the remit of either Group 1 or 2 however resides in a constituency out-with their own which falls within Group 3<sup>1</sup>(see footnote) is currently eligible to claim expenses for overnight stays in Edinburgh or costs associated with leasing accommodation. Obviously this raises questions as some MSPs may benefit unfairly from the current system.

I feel the approach taken by the Independent Review Panel for the National Assembly of Wales goes a long way to addressing the problems which have dominated the news headlines in recent months. In restricting Members to only 20 overnight stays per year and removal of the £30.65 additional cost for overnight stays, the National Assembly for Wales has demonstrated a commitment to reducing the burden on public finances and increasing value for money.

In line with an argument I noted in my previous submission, the recommendation to the National Assembly for Wales that a furnished flat, either owned or rented by the Assembly, be provided to eligible Assembly Members is an appropriate alternative to the current arrangements. This includes the removal of claims for furniture and fittings on second homes. Such an approach was adopted to avoid repetition of the adverse media coverage regarding luxury items bought for second homes in line with the Westminster system. Should the Scottish Parliament adopt this approach, similar perceived negative media attention could be avoided and would be a fairer, more transparent and accountable scheme than that which currently operates.

I would also argue that much of the recent negative perceptions by the media and the public have arisen from the needlessly complex and often conflicting approaches applied by the UK Parliament, the devolved Parliament of Scotland and the Assemblies of Wales and Northern Ireland. What has been most telling from the ongoing reviews and previous recommendations conducted thus far is the inconsistencies arising from the various approaches adopted.

Much uncertainty has been generated in recent months in relation to genuine expenses claims, not least with regard to the claim by several MSPs for the cost of Remembrance Day wreaths. Recovery of such expenses is legitimate under the current expenses system in operation in the Scottish Parliament as a cost incurred when performing the duties as an elected member. However, uncertainty has been caused as similar claims are not permissible under the UK Parliamentary regulations. This inconsistency in the approach adopted by various Parliaments and Assemblies allowed the media to create a maelstrom to demonise those MSPs, including myself, who claimed for reimbursement for this particular expense.

This matter was further complicated by the current arrangement whereby several Constituency MSPs are provided with wreaths by Local Authorities, for example North Lanarkshire Council, to lay at commemorative events. The

financial costs of these wreaths are never accounted for and they have not been detailed on Members' Register of Interests. It remains unclear to me as to who these MSPs were laying wreaths on behalf of.

During the 2008 review of Pay, Pensions and Allowances by the Northern Ireland Assembly, MLAs also claimed it would be beneficial to gain greater clarity and to make more guidelines available on the application and use of allowances, thus reiterating the need for clearer rules and a concise approach. I would argue that this time of re-evaluation would act as the perfect time to steer all allowances systems towards a more cohesive approach in order to bring much needed clarity and understanding, not only for elected members but more importantly for the public and media.

Given that accountability, transparency and equality must stand at the heart of any Members' Allowances Scheme, it is important that the Scottish Parliament capitalises upon the stringent approaches being put in place elsewhere to tighten regulations. Addressing the issues raised above would go a long way to meeting the commitment to uphold the 'Seven Principles in Public Life' outlined by the SPCB in the Independent Review of Parliamentary Allowances of 2008 which were historically agreed by the Constitutional Steering Group (CSG) as foundational principles for the Scottish Parliament.

John Wilson MSP  
Central Scotland

30<sup>th</sup> September 2009

---

<sup>i</sup> **Group One:** Edinburgh Central, Edinburgh East and Musselburgh, Edinburgh North and Leith, Edinburgh Pentlands, Edinburgh South, Edinburgh West, Linlithgow, Livingston and Midlothian.

**Group Two:** Airdrie and Shotts, Central Fife, Coatbridge and Chryston, Cumbernauld and Kilsyth, Dundee East, Dundee West, Dunfermline East, Dunfermline West, East Lothian, Falkirk East, Falkirk West, Glasgow Anniesland, Glasgow Baillieston, Glasgow Cathcart, Glasgow Govan, Glasgow Kelvin, Glasgow Maryhill, Glasgow Pollok, Glasgow Rutherglen, Glasgow Shettleston, Glasgow Springburn, Hamilton North and Bellshill, Hamilton South, Kirkcaldy, Motherwell and Wishaw, North East Fife, Ochil, Paisley North, Paisley South, Perth, Stirling, Strathkelvin and Bearsden, Tweeddale, Ettrick and Lauderdale.

**Group Three:** Aberdeen Central, Aberdeen North, Aberdeen South, Angus, Argyll and Bute, Ayr, Banff and Buchan, Caithness, Sutherland and Easter Ross, Carrick, Cumnock and Doon Valley, Clydebank & Milngavie, Clydesdale, Cunninghame North, Cunninghame South, Dumbarton, Dumfries, East Kilbride, Eastwood, Galloway and Upper Nithsdale, Gordon,

---

Greenock and Inverclyde, Inverness East, Nairn and Lochaber, Kilmarnock and Loudoun, Moray, North Tayside, Orkney, Ross, Skye and Inverness West, Roxburgh and Berwickshire, Shetland, West Aberdeenshire and Kincardine, West Renfrewshire and the Western Isles.