



House of Commons  
Committee on  
Standards and Privileges

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**Employment of family  
members through the  
Staffing Allowance:  
Proposals for  
consultation**

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**Sixth Report of Session 2007-08**

*Report, together with formal minutes*

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## The Committee on Standards and Privileges

The Committee on Standards and Privileges is appointed by the House of Commons to oversee the work of the Parliamentary Commissioner for Standards; to examine the arrangements proposed by the Commissioner for the compilation, maintenance and accessibility of the Register of Members' Interests and any other registers of interest established by the House; to review from time to time the form and content of those registers; to consider any specific complaints made in relation to the registering or declaring of interests referred to it by the Commissioner; to consider any matter relating to the conduct of Members, including specific complaints in relation to alleged breaches in the Code of Conduct which have been drawn to the Committee's attention by the Commissioner; and to recommend any modifications to the Code of Conduct as may from time to time appear to be necessary.

### Current membership

Rt Hon Sir George Young Bt MP (*Conservative, North West Hampshire*) (Chairman)  
Rt Hon Kevin Barron MP (*Labour, Rother Valley*)  
Rt Hon David Curry MP (*Conservative, Skipton & Ripon*)  
Mr Andrew Dismore MP (*Labour, Hendon*)  
Nick Harvey MP (*Liberal Democrat, North Devon*)  
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Mr Chris Mullin MP (*Labour, Sunderland South*)  
The Hon Nicholas Soames MP (*Conservative, Mid Sussex*)  
Mr Paddy Tipping MP (*Labour, Sherwood*)  
Dr Alan Whitehead MP (*Labour, Southampton Test*)

### Powers

The constitution and powers of the Committee are set out in Standing Order No. 149. In particular, the Committee has power to order the attendance of any Member of Parliament before the committee and to require that specific documents or records in the possession of a Member relating to its inquiries, or to the inquiries of the Commissioner, be laid before the Committee. The Committee has power to refuse to allow its public proceedings to be broadcast. The Law Officers, if they are Members of Parliament, may attend and take part in the Committee's proceedings, but may not vote.

### Publications

The Reports and evidence of the Committee are published by The Stationery Office by Order of the House. All publications of the Committee (including press notices) are on the Internet at: [www.parliament.uk/sandp](http://www.parliament.uk/sandp). A list of Reports of the Committee in the present Parliament is at the back of this volume.

### Committee staff

The current staff of the Committee are Dr Christopher Ward (Clerk), Mr Keith Neary (Second Clerk) and Miss Michelle Owens (Secretary).

### Contacts

All correspondence should be addressed to The Clerk of the Committee on Standards and Privileges, Journal Office, House of Commons, London SW1A 0AA. The telephone number for general enquiries is 020 7219 6615.

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# Employment of family members through the Staffing Allowance: Proposals for consultation

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## Introduction

1. Following the publication of our Fourth Report, which dealt with a case of misuse of the Staffing Allowance in relation to employment of a family member, and the approval of that report by the House on January 31, there is a strong case for greater disclosure by Members in this area.<sup>1</sup> A number of Members have approached the Registrar of Members' Interests, seeking to include references to employment of family members in their entries in the Register of Members' Interests.

2. There is no existing requirement for Members to disclose publicly any relationship with staff that they employ at public expense. The only information routinely published by the House about Members' use of the Staffing Allowance is their total annual expenditure under this heading. The names of all Members' staff holding parliamentary passes in this capacity are in the public domain, because they are included on the Register of Interests of Members' Secretaries and Research Assistants, but this does not include any indication as to whether there is any relationship between the staff member and the Member concerned. This Register is also not a comprehensive register of those employed by Members as its scope extends only to those holding photo-identity passes as Members' secretaries or research assistants. Those who do not hold such a pass, or hold one in another category (such as a spouse pass) are not obliged to register, but some opt to do so.

3. We believe that any new requirement to disclose details of personal relationships between Members and the staff they employ through the Staffing Allowance is best introduced by the House, rather than through individual initiatives. This will ensure both consistency of approach and enforceability. We also believe that, given the concerns that have been expressed on this matter in the wake of the publication of our Fourth Report, the House should introduce appropriate arrangements as soon as possible, preferably in time for them to take effect from the start of the new 'allowance year' on April 1. Given that the Members' Estimate Committee (MEC) is conducting a review of the parliamentary allowances, it will be important that any new disclosure requirements introduced on this timescale complement this broader exercise, and are capable of ready modification in the light of its outcome. We shall work closely with the MEC on this matter.<sup>2</sup>

4. We set out our provisional proposals, and the background to them, below. The purpose of this report is to give Members and others the opportunity to comment before we

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1 Fourth Report from the Committee on Standards and Privileges, Session 2007-08, Conduct of Mr Derek Conway, HC 280.

2 See also First Special Report of the Members' Estimate Committee, Session 2007-08, (HC 368), para. 7.

produce firm proposals for consideration by the House. Inevitably, if the April 1 target is to be met for the implementation of the new arrangements, the consultation period must be a brief one.

**5. Comments on the proposals in this report are welcome. They should be sent to the Clerk of the Committee on Standards and Privileges, Journal Office, House of Commons, London SW1A 0AA, or by e-mail to [sandp@parliament.uk](mailto:sandp@parliament.uk) to arrive not later than Friday March 7.**

## The objectives

6. We believe there should be greater transparency in relation to Members' use of the Staffing Allowance where the terms of the employment might be influenced, or perceived as being liable to influence, by virtue of the existence of a personal relationship between the parties. We believe the Register of Members' Interests, for which we have responsibility, is the right vehicle for this.

7. Extension of the disclosure of information in this area would break new ground in a number of respects:

- It would extend the purpose of the Register beyond providing information "*of any pecuniary interest or other material benefit which a Member receives which might reasonably be thought by others to influence his or her actions, speeches or votes in Parliament, or actions taken in his or her capacity as a Member of Parliament*";
- It would require more detailed disclosure of one aspect of use of allowances; and
- It could represent a further encroachment into the personal lives of both Members and their staff.

8. Before coming to the conclusion that this was the right way forward, we examined three possible basic approaches to this matter:

- a) publication of a full list of Members' staff, and for those where a personal relationship exists to be distinguished;
- b) a purely voluntary scheme of disclosure, such as could be achieved by allowing registration under the existing Category 10 (Miscellaneous);<sup>3</sup> and
- c) a system for compulsory registration of Members who employ family members in connection with their duties as Members and remunerate them through the Staffing Allowance.

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<sup>3</sup> In the Code of Conduct together with the Guide to the Rules relating to the conduct of Members 2005, HC 351, Session 2004-05, Category 10 (Miscellaneous) is defined as "Any relevant interest, not falling within one of the above categories, which nevertheless falls within the definition of the main purpose of the Register which is "to provide information of any pecuniary interest or other material benefit which a Member receives which might reasonably be thought by others to influence his or her actions, speeches, or votes in Parliament, or actions taken in his or her capacity as a Member of Parliament," or which the Member considers might be thought by others to influence his or her actions in a similar manner, even though the Member receives no financial benefit".

9. Option (a) would undoubtedly be the simplest option. Such a list could be produced either through a registration requirement, or through an enhanced disclosure of information about Members' use of allowances.

10. There are, however, a number of difficulties with such an approach. There are data protection, staff privacy, and legal issues to be addressed. In 2006 the Speaker certified in the context of a Freedom of Information request that generalised disclosure of the names of Members' staff would prejudice the conduct of public affairs.

11. These wider issues are not matters formally for us, and we accept that their consideration should not be prejudiced by our own, more limited, exercise. We nonetheless hope that the MEC review will address these wider issues in the context of the momentum for greater transparency in respect of Members' use of allowances.

12. We can see two major disadvantages with option (b). First, a voluntary scheme would by definition be unable to ensure consistency, and might not give a complete picture of family employment. Second, the purpose of introducing greater disclosure of employment that might be influenced by personal relationships goes beyond the existing purpose of the Register,<sup>4</sup> so the new material would sit uneasily in Category 10.

13. On February 5 we decided that option (c) was the best option in the short term and expressed the view that the House should put in place by April 1, within the framework of the existing Registers, a system for compulsory registration of Members who employ family members in connection with their duties as Members and remunerate them through the Staffing Allowance.

14. In making this proposal, we recognised that no registration scheme could capture all possible circumstances in which the terms of employment might be thought to be influenced by considerations of a personal nature. We therefore also once again draw attention to the guidelines put forward by the Commissioner in a previous case<sup>5</sup> in testing the appropriateness of proposed employment where personal considerations might be thought to be involved, and the importance of being able to demonstrate, if challenged, that the terms of any such employment are beyond reproach.

15. In our view, the House can best meet the objectives we announced on February 5 by extending the scope of the Register of Members' Interests explicitly to include a new category for disclosure of employees remunerated from the Staffing Allowance where the terms of the employment might be influenced by virtue of the existence of a personal

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4 This is summarised in paragraph 7.

5 See para. 61 of Appendix 1 of the Committee's Fifth Report, Session 2002-03 (HC 947). The criteria proposed were:

- (i) is the person employed to meet a genuine need in supporting the Member in performing their Parliamentary duties?
- (ii) are they qualified/able to do the job?
- (iii) do they actually do the job?
- (iv) are the resulting costs, in so far as they are charged to the allowance, reasonable and entirely attributable to the Member's Parliamentary work?

relationship between the parties. We set out below our proposals on the scope of disclosure and on the relationships that should be covered.

16. As this would in practice mark an extension of the scope of the Register, we propose that it in future be divided into two parts. The ten categories of the existing Register would henceforth form Part 1, and would continue to operate unchanged. The new requirement would go into a new Part 2, which would in future include all other specific categories of interest which the House required members to disclose and which were not direct pecuniary interests. This will require the extension of the principle of the Register to include such other information as the House may from time to time require to be included. As amended, the purpose of the Register would become *“to provide information of any pecuniary interest or other material benefit which a Member receives which might reasonably be thought by others to influence his or her actions, speeches or votes in Parliament, or actions taken in his or her capacity as a Member of Parliament, and such other information as the House may from time to time require to be included.”*

17. This approach has the advantage that, besides recognising the difference in character of the proposed new requirement, the existing well-understood arrangements for registering pecuniary interests would remain unchanged. If in the light of developments on disclosure of information about Members’ employees, a registration requirement becomes no longer necessary, it can readily be removed without affecting any other aspect of the existing Register.

### **What should be disclosed in the Register?**

18. The question of the extent of the information to be disclosed raises a number of issues. Although the names of many Members’ staff are already in the public domain, it is equally the case that many are not, and it is possible that in some cases this is by choice. As we have already noted,<sup>6</sup> there are a number of difficulties that could arise from a decision to include staff names on the Register. It is undoubtedly the case in respect of many of the names that are public knowledge that any relationship with the Member is also a matter of public knowledge. However, it is by no means certain that this is universally the case as no definitive list of such employees exists.

**19. In our view, the objectives we set out in our February 5 announcement could, as a minimum, be met by Members simply registering the number of staff members they employed who fell within the prescribed relationships. However, we recommend that the House go beyond this, and require in each case the name of the staff member, the relationship, and an indication as to the nature of the role in which they are employed. This in our view reflects a reasonable balance between the conflicting considerations of transparency and privacy.**

20. We do not consider that there is any basis for requiring disclosure of staff salaries. Our proposal that the job description be disclosed in our view provides sufficient disclosure as the pay ranges for the standard job descriptions are public knowledge. They are available on the website [www.w4mp.org](http://www.w4mp.org); **we recommend that they should also be available on the House's own website, if our proposals are agreed to by the House.**

21. As with other registration provisions, it would in our view be sensible to have a *de minimis* provision to exempt brief periods of casual employment or work experience. **We therefore recommend that relationships are exempt from registration if the total annual payments to the individual concerned from the Staffing Allowance do not exceed 1% of a Member's annual salary, consistent with similar thresholds applied elsewhere in the Register.**

### Whom might be covered by the disclosure of the requirement?

22. We consider that the proposed registration requirement should apply to any employment paid for from the Staffing Allowance of Members':

- spouses and civil partners;
- parents and parents in law;
- children (including step-children);
- grandparents;
- grandchildren;
- siblings; and

It should also apply to:

- siblings of the Members' spouse or civil partner;
- uncles and aunts of the Member and of their spouse or civil partner; and
- nephews and nieces of the Member and of the spouse or civil partner.

23. We also consider that Members' partners should be treated for this purpose on an equal footing with spouses or civil partners, and we have given thought to how they should be defined for this purpose. In essence, there appear to be three principal options:

- to leave the matter to Members' individual judgement;
- to define a partner as a person lived with as if married to them, or as if in a civil partnership. Such an approach is used by the Inland Revenue for the purpose of eligibility for tax credits, and by the Child Support Agency; and
- to define a partner as above, but with the qualification that the relationship must have subsisted for a minimum period. A test along these lines is used in other circumstances, such as intestacy.

24. We understand that the House issues a spouse pass to a Member's partner on the basis of a request from the Member. Clearly, if a Member is willing to acknowledge the relationship in this way, the requirement to register any employment of that partner should follow automatically. Subject to that, we do not favour the first option, as we consider it important that there is consistency between Members. The third option describes a relationship which, having subsisted for a period, is more likely to be a matter of public knowledge. **On balance, our preference is for the second option other than where the partner holds a staff pass.**

25. There is also the question of former spouses and civil partners, partners and their children. There are arguments for including them, on the ground that the terms of their employment may be influenced by the former relationship, and equally arguments that they are entitled a degree of privacy. Such arrangements are also likely to be rare. One possibility would be to require their inclusion on the register for a period (perhaps three years) after the relevant relationship has ended.

### What information should be given in the Register entry?

26. There are in essence three principal sets of circumstances to be covered:

- Staff first employed after July 31 2001 and employed on standard contracts of employment using one or more of the Department of Resources' job descriptions;
- Staff in post on July 31 2001 and employed under a continuing contract of employment; and
- Staff employed other than under a contract of employment, for example, freelance staff.

27. For staff in the first category we propose that all that would need to be registered is that the employee has a standard contract and the Register entry would give the relevant standard job description from the Department of Resources' list. For staff in the second category, we propose that the entry should say that the employee has been employed since before July 31 2001 and give the nearest standard job descriptions to which their duties are broadly equivalent. For the third category, we propose that the entry should give a brief description of the basis on which they are employed and the work that they do.

28. We give an example below of what a typical Register entry might look like, assuming the House accepts our proposals as set out in this report.

## Category 11

Staff remunerated from the Staffing Allowance where the terms of the employment might be influenced, or perceived as being liable to be influenced, by virtue of the existence of a personal relationship between the Member and the employee.

I employ my civil partner, [name], as a Parliamentary Assistant, and my daughter, [name], as my Office Manager.

**29. We welcome comments, as part of the consultation process, on any aspect of our proposals on what should be disclosed in the Register, whom might be covered by the disclosure requirement, and what information should be given in the Register entry.**

### Bringing the requirement into effect

30. In our statement of February 5, we indicated that the House should have in place, by April 1 2008, within the framework of the existing Registers, a system for compulsory registration of Members who employ family members in connection with their duties as Members and remunerate them through the Staffing Allowance. We believe that the framework we have proposed would enable this to be done in a way which balances the momentum for greater transparency, with the legitimate concerns for the privacy of the individuals concerned.

**31. Subject to the outcome of our consultation, on which we will report further, we therefore recommend that the House introduces such a scheme with effect from April 1 2008.**

32. We recognise, though, that while this may meet the requirement of Members pressing for an opportunity to register these details, the introduction of a compulsory system at relatively short notice may cause legal and contractual difficulties for others. It is in our view important that any such difficulties should be addressed. **We would therefore welcome comments as to whether there should be a transitional period up to the commencement of the Summer Recess during which registration would be voluntary. Allowing such a transitional period would in practice mean that the MEC will have reported, and the House will have had an opportunity to debate that report, before the registration requirement becomes compulsory.**<sup>7</sup>

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7 First Special Report of the Members' Estimate Committee, Session 2007-08, (HC 368), para. 9.

# Formal minutes

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**Tuesday 26 February 2008**

Members present:

Sir George Young, in the Chair

Mr Kevin Barron  
David Curry  
Mr Andrew Dismore  
Nick Harvey

Mr Elfyn Llwyd  
The Hon Nicholas Soames  
Mr Paddy Tipping  
Dr Alan Whitehead

Draft Report [Employment of family members through the Staffing Allowance: Proposals for consultation], proposed by the Chairman, brought up and read.

*Ordered*, That the Chairman's draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 32 read and agreed to.

*Resolved*, That the Report be the Sixth Report of the Committee to the House.

*Ordered*, That the Chairman do make the Report to the House.

[Adjourned till Tuesday 11 March at 9.30 am

# Reports from the Committee on Standards and Privileges in the current Parliament

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## Session 2007-08

First Report	Conduct of Mr Elfyn Llwyd, Mr Adam Price and Mr Hywel Williams	HC 94
Second Report	Conduct of Mr Norman Baker, Mr Malcolm Bruce and Mr Sadiq Khan	HC 182
Third Report	Publications funded from the Communications Allowance	HC 232
Fourth Report	Conduct of Mr Derek Conway	HC 280
Fifth Report	Conduct of Mr Peter Hain	HC 324
Sixth Report	Employment of family members through the Staffing Allowance: Proposals for consultation	HC

## Session 2006-07

First Report	Evidence to the SSRB Review of Parliamentary pay, pensions and allowances	HC 330
Second Report	Conduct of Mr David Cameron	HC 429
Third Report	Complaints about alleged misuse of Parliamentary dining facilities	HC 431
Fourth Report	Conduct of Mr Julian Brazier	HC 682
Fifth Report	Handling of future complaints on misuse of the private dining facilities	HC 683
Sixth Report	Conduct of Mr George Galloway	HC 909
Seventh Report	Conduct of Mr Gregory Campbell	HC 992
Eighth Report	Conduct of Mr Martin Salter and Mr Rob Wilson	HC 1071

## Session 2005-06

First Report	Conduct of Mr Jonathan Sayeed	HC 419
Second Report	Conduct of Mr John Horam	HC 420
Third Report	Conduct of Mr Tony Baldry	HC 421
Fourth Report	Pay for Standing Committee Chairmen	HC 568
Fifth Report	Electoral Administration Bill: Simplification of Reporting Requirements	HC 807
Sixth Report	Mr Stephen Byers (Matter referred on 19 October 2005)	HC 854
Seventh Report	Conduct of Mr George Galloway	HC 1067
Eighth Report	Conduct of Mr Mark Lancaster	HC 1144
Ninth Report	Lobbying and All Party Groups	HC 1145
Tenth	Conduct of Mr Michael Foster (Worcester)	HC 1223
Eleventh	Conduct of Ms Emily Thornberry	HC 1367

## 12 Employment of family members through the Staffing Allowance: Proposals for consultation

Twelfth	Conduct of Nadine Dorries	HC 1368
Thirteenth	Conduct of Mr John Prescott	HC 1553
Fourteenth	Conduct of Dr Desmond Turner	HC 1578
Fifteenth	Conduct of Mr Eric Illsley	HC 1579
Sixteenth	Review of the Guide to the Rules Relating to the Conduct of Members: Consultation Document	HC 1580