



HOUSE OF COMMONS

LONDON SW1A 0AA

Sir Paul Kennedy
Chair, The Kennedy Review
Department of Resources
House of Commons
London, SW1A 0AA

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PRIVATE AND CONFIDENTIAL

Dear Sir Paul

I very much welcome your appointment. Rather late in the day, the House of Commons must have realised that, while Sir Thomas Legg's report on the ACA claims produced the desired headlines, the whole exercise opened up the possibility of a serious legal challenge.

Appealing to the courts would probably stretch out this wretched affair on MPs' allowances into the next Parliament. It is in the interests of our parliamentary democracy that a just closure for taxpayers and MPs alike is brought about as soon as possible. I hope MPs will accept your decisions as final. I intend to do so.

The three principles underpinning Sir Thomas Legg's review have resulted in a sense of injustice amongst MPs. The review was selective, retrospective and arbitrary. It excluded what taxpayers regarded as the main ACA abuses and it made a series of judgments on a limited range of claims over the past five years based on a cap that has nowhere been explained let alone defended.

I have always sought to ensure that, while I cover the full running costs of my second home, the minimum of cost is transferred to the taxpayer. I have never used this claim in order to boost payments towards the maximum level allowable. Over the five years the ACA Review covers, despite the



maximum allowance increasing, my annual claim has fallen, from £11,250 in the 2004/5 financial year to £7,303 in 2008/9 – a third of the then available sum.

In this light I would like to appeal against Sir Thomas' first, second and third conclusions.

First conclusion

I first wish to appeal against Sir Thomas' conclusion with respect to my housekeeping claims.

I made clear to Sir Thomas that, in my view, he had arbitrarily imposed an unprecedented retrospective limit on my past housekeeping claims and that his initial conclusion was therefore unfair.

His final conclusion (to, again arbitrarily, halve the amount to be repaid) only substantiates that view. Where is the logic in not conceding the whole of this sum as being legitimate (particularly as there is no attempt on Sir Thomas' part to qualify his conclusion)?

Sir Thomas did not reply to my letter of 10 November 2009. Nor did he seek further guidance from myself on the housekeeping claims that I have made in the last five years when drawing his conclusions. During my thirty years in Parliament I have only ever made claims which were entirely necessary to support my work as an MP. Sir Thomas' conclusion damages irreparably the reputation I have built up.

Second conclusion

Sir Thomas states: "He was also paid £800 for petty cash and household sundries from July to December 2004...Petty cash in any form is not payable under the ACA, so under this head he was overpaid". I wish to appeal against this ruling for a number of reasons.



I am glad Sir Thomas has agreed with me that his calculations were inaccurate. In the financial year he is considering, I was, in fact, paid £600 in petty cash. In his original letter, Sir Thomas stated that I “claimed £800 in petty cash” (ref. 12512 on Sir Thomas’ initial conclusions).

Petty cash at the time was, and indeed remains today, a legitimate expense. I accept that those claims should have been made under the IEP, now AOE, expense heading. However that error in no way affects the validity of these claims. I therefore appeal to you against the total £600. The claim was not illegitimate but simply entered under the wrong allowance heading which is, I concede, embarrassing. Given the retrospective basis of the ACA Review, I would like you to rule on the principle of reallocating these claims to the appropriate heading.

Sir Thomas has now added into his conclusion above a claim I made for £200 which was passed by the Fees Office at the time without complaint. At no point has Sir Thomas raised this individual £200 payment with me. Its first citation is in his final conclusions. Sir Thomas further does not cite (and has never cited) a reason for including this payment within his conclusions. On the basis of the information available, I can only speculate that, having conceded the error on the £800 petty cash claim, Sir Thomas is now simply including the difference as a separate charge. I therefore appeal against the total £200.

Sir Thomas also states: “From June to December 2005 he was paid a further £1,000 in unspecified incidental costs and sundry expenses”. I further wish to appeal against Sir Thomas’ ruling with respect to these claims.

Sir Thomas gives no rationale for his decision in respect of these claims, despite my request that he publishes his reasoning. Sir Thomas, in his initial conclusions, indicated that these claims were invalid because “Correspondence from the Fees Office shows that the MP was advised that such claims were not permissible” (ref. 12512 on Sir Thomas’ initial conclusions). In a telephone conversation with Sir Thomas’ secretariat, on 2 November 2009, I was informed that Sir Thomas wished to remove this



reference in his final conclusions. I wrote to Sir Thomas that same day expressing my wish that, should he remove the 'evidence' from his conclusion, he should also remove his conclusion. He has done the first but not the second which is curious.

I believe Sir Thomas' reasoning here is flawed. His reference to correspondence is not, as he suggests, related to the payments of these household costs (claims for which were made on 07.07.05, 18.10.05 and 31.12.05 and which were all accepted by the Fees Office) but, rather, to two later and different claims made on 20.03.06 and 21.03.06. It is important to note that I did not see all of this correspondence (I only saw two letters) until the House of Commons released the copies of my expense files (which I was asked to check before publication) early in 2009. However, on receipt of these two letters, I immediately met Fees Office staff who, in any event, accepted the validity of this claim which was then paid.

I object further to Sir Thomas' attempt to link this correspondence to these household claims because they were all made, agreed and paid before the cited correspondence commenced.

I therefore wish to appeal to you against this total £1,000.

Third conclusion

Sir Thomas states: "He was also paid £228.55 for three BT bills which did not relate to his second home address". I again wish to appeal against this ruling.

As I stated to Sir Thomas on 14th October, these bills ought to have been filed under the IEP allowance and not the ACA allowance. The telephone line is used solely in support of my duties as an MP (as with the petty cash claims). It is my view that the error of these claims being filed under the wrong heading does not in any way affect the legitimacy of these claims.



Sir Thomas has refused to reallocate these claims to the appropriate headings, presumably on the basis that the claims period for these headings is now closed. However as Sir Thomas has made retrospective rulings on the ACA allowance on what had hitherto been closed claims, it seems inconsistent to me that Sir Thomas would not allow past legitimate claims to be transferred to the accurate allowances. I therefore appeal to you against the total £228.55.

If you require any further details I would be more than willing to provide them. I have enclosed for your reference a copy of all the correspondence Sir Thomas cited in respect of the household claims in his original conclusions.

With best wishes,

FRANK FIELD