

Mr Bill Wiggin MP: Resolution letter

Letter to Mr James Miller from the Commissioner, 26 September 2011

I have now concluded my consideration of the complaint which you sent me in your letter of 24 February against Mr Bill Wiggin MP about a claim he made in respect of an invoice submitted by the North Herefordshire Conservative Association for 2006–07.

In essence, your complaint was that Mr Wiggin claimed for costs which were not wholly, exclusively and necessarily incurred on his parliamentary duties and that those claims met the costs of party political activities, contrary to the rules of the House.

I have consulted Mr Wiggin, the former Chairman of the North Herefordshire Conservative Association and the House authorities about this matter, and have received evidence from staff involved in supporting Mr Wiggin in his work at that time.

The invoice of May 2007 from the Conservative Association which Mr Wiggin submitted to the House authorities for payment against his Incidental Expenses Provision was for £5,000. The description said that it was for “*Hire of rooms in Constituency office for M.P.’s surgeries*” for the financial year from April 2006 to March 2007. It in fact covered the cost of other services which Mr Wiggin received from the Conservative Association in support of his parliamentary duties during the course of that year. The bulk of these charges was for staff time and for staff accommodation while working in support of Mr Wiggin. The staff costs were for £4,460.75 and the office costs (rent and rates) were set at £479.50 which covered also the use of the Conservative Association’s offices for Mr Wiggin’s surgeries held there in that year. In addition there was an estimated cost of £100 for the use of the telephone, and £50 for the hire of rooms for Mr Wiggin’s constituency surgeries away from the Conservative Association’s offices. These costs totalled £5,090.25, although Mr Wiggin was invoiced for and claimed £5,000. Nothing was charged for other costs associated with the use of these offices, including heat, light, stationery, postage or other overhead expenses.

The charge for 2006–07 was significantly different from that made for previous and subsequent years. The evidence is that this was because costs in earlier years were significantly under estimated—in 2004–05 the invoice was produced by the Conservative Association’s Agent in some haste and without full consultation with the Association’s Officers, and he therefore undercharged. In both 2004–05 and 2005–06 no charge was made for a share of the rent or rates for the use of the Association’s offices, or for the salary costs of one of the two members of staff supporting Mr Wiggin. The staff costs for 2006–07 were also significantly increased because more work had to be undertaken by the staff in the constituency office on account of the absence on sick leave of Mr Wiggin’s Westminster secretary from Boxing Day until after the end of January. In later years, the work of one member of staff was taken over by volunteers and a share of the rent and rates for the accommodation of the other member of staff and for constituency surgeries was not always charged.

Under the rules, Members who received staffing facilities or services from their constituency association were required to negotiate a contract for that provision, with the resultant agreement and charges being set out in writing. A copy of that agreement had to be lodged with the Department of Finance and Administration. The Department’s evidence suggests that no such agreement was lodged with it at the time. Mr Wiggin thought he had lodged a contract for these services and the fact that the relevant claims had been accepted promptly and without qualification by the Department reinforced this understanding. The Department has accepted that, with hindsight, it should have asked Mr Wiggin to provide more information before paying the 2006–07 claim. Had it done this, the Department might have been in a position to have advised Mr Wiggin on the documentation required. Mr Wiggin has stated that, had the Association or he been made aware that a contract was not on record, they would gladly have provided it.

Having carefully considered all the evidence, I have concluded that there is no evidence that the costs represented by the invoice for £5,000 that Mr Wiggin presented to the Department in May 2007 were other than necessarily incurred in support of his parliamentary duties, or that Mr Wiggin’s constituency association benefited improperly from the claim for these costs. I do not therefore uphold your complaint. While not part of the complaint, Mr Wiggin has accepted that the invoice lacked sufficient detail. In addition, Mr Wiggin accepts that a contract for the services provided by the Conservative Association should have been lodged

with the House authorities, as required by the rules, although he thought this had been done. Mr Wiggin has fully apologised for these breaches, which I accept were not intentional. I now regard the matter as closed.

In due course, a copy of this letter and the relevant evidence on which it is based will be placed on my parliamentary webpages.

5 I am copying this letter to Mr Bill Wiggin MP.

26 September 2011

Mr Bill Wiggin MP: Written evidence

1. Letter to the Commissioner from Mr James Miller, 24 February 2011

5 I am writing to you with a serious complaint of dishonesty and unethical behaviour against my Member of Parliament Bill Wiggin; my complaint is quite separate to the one I made to you in November 2009 and which the Standards on Ethics and Privileges upheld last October, and I believe it is about an even more serious issue.

10 My complaint relates to the document which I have enclosed. It purports to be an invoice to Mr Wiggin from North Herefordshire Conservative Association (NHCA), to which Mr Wiggin belongs, for exactly £5,000 for the hire of a room used for constituency surgeries. However, unlike a regular invoice for services rendered there is no mention of VAT and one wonders if the Inland Revenue were ever made aware of this document.

15 Page three of the following parliamentary website:
http://mpsallowances.parliament.uk/mpslordsandoffices/hocallowances/allowances-by-mp/bill-wiggin/Bill_Wiggin_0607_IEP.pdf shows that Mr Wiggin presented this “*invoice*” as a running costs expense to parliamentary officials.

The claim may have been declined: after all, Mr Wiggin is elsewhere fully reimbursed for office and clerical costs and the claim seems in any case to be spurious.

20 But my complaint is that, simply by making the claim, Mr Wiggin behaved dishonestly and unethically and for the following reasons.

This year Mr Wiggin has held two surgeries, each of two hours duration, in the Conservative office in Leominster and is to hold one more. If he similarly held three in 2006–07 then he is saying that NHCA charged him c. £830 an hour. Even if he held four, the hourly charge amounts to £630 an hour.

25 When presenting this “*invoice*” to Parliament Mr Wiggin signs the statement that these costs were, as well as wholly and exclusively, **necessarily** in pursuit of parliamentary duties.

The essence of my complaint is that the amount of £5,000 for a few hours of surgeries was not only unnecessary, it was grossly unnecessary.

30 When Mr Wiggin holds surgeries in the other main town of the constituency, Ledbury, there is I believe no Conservative office for him to hire and so he uses the Community Centre. This shows that Mr Wiggin has no problems about holding surgeries in a Community Centre.

At Leominster Community Centre, a few minutes’ walk from the Conservative office, one can rent a room (more spacious than the Conservative office’s) for £8 for a two hour session. This would have totalled £24 a year for three surgeries, £34 a year for four.

35 Mr Wiggin will have known from renting Ledbury Community Centre the sort of rates a Community Centre charges, and is certainly well aware of the existence of Leominster Community Centre.

When Mr Wiggin signed an official parliamentary document promising that the £5,000 claimed was “*necessarily*” in pursuit his duties, he was stating something he knew to be untrue, since he was perfectly aware that he could have held constituency surgeries for a tiny fraction of this amount.

40 In your report to the Standards Committee in October you noted that from 2008 Mr Wiggin dropped his inflated claims for telephone and utilities on his second home, and started claiming more credible, much lower amounts. This was evidence that he had previously been claiming too much.

I believe the same applies to his room hire claims.

Here is his room hire claim for 2007–08. It is once again on page three:
http://mpsallowances.parliament.uk/mpslordsandoffices/hocallowances/allowances-by-mp/bill-wiggin/Bill_Wiggin_0708_IEP.pdf

Again, this may have been an incorrect extra claim and may have been declined.

- 5 But if we take Mr Wiggin at his word, then he is saying the true cost of hiring a room for surgeries for the year was £800. Is Mr Wiggin implying that in 2006–07 he held almost six times more surgeries than in the following year?

If he is not, then surely he is saying that in 2006–07 at least £4,200 too much was wrongfully claimed, with the intention of paying it into the funds of a political party.

- 10 Commissioner, I do not know electoral law, but this way of raising money for a registered political party may contravene the law, and Parliament may in that case decide to refer the matter to the police force.

What I do believe is that the figure of £5,000 was in no way necessary for the holding of constituents' surgeries, and that Mr Wiggin dishonestly claimed so when he presented the "invoice" and signed the accompanying promise.

- 15 I thank you very much for your time and attention.

24 February 2011

2. Letter to Mr Bill Wiggin MP from the Commissioner, 2 March 2011

I would welcome your help on a complaint which I have received from Mr James Miller about an invoice of May 2007 for the hire of rooms in your Constituency Association's office.

- 20 I enclose a copy of the complainant's letter of 24 February with a copy of the relevant claim form and invoice, and a copy of your room hire claim for 2007–08 to which the complainant also refers.

In essence, the complaint is that you claimed for costs which were not wholly, exclusively and necessarily incurred on your parliamentary duties and that those claims met the costs of party political activities, contrary to the rules of the House.

- 25 The Code of Conduct for Members of Parliament provides in paragraph 14 as follows:

"Members shall at all times ensure that their use of expenses, allowances, facilities and services provided from the public purse is strictly in accordance with the rules laid down on these matters, and that they observe any limits placed by the House on the use of such expenses, allowances, facilities and services."

- 30 The rules at the time relevant to this complaint were set out in section 5 of the July 2006 Green Book covering claims against the incidental expenses provision. The scope of the allowance is set out in paragraph 5.1.1 as follows:

- 35 *"The Incidental Expenses Provision (IEP) is available to meet costs incurred on Members' parliamentary duties. It cannot be used to meet personal costs, or the costs of party political activities or campaigning. The paragraphs which follow outline the main areas of expenditure which we recognise as incurred in supporting these duties, but it is each Member's responsibility to ensure that all expenditure funded by the IEP is wholly, exclusively and necessarily incurred on parliamentary duties."*

Paragraph 5.3.1 details the allowable expenditure under this provision as follows:

"The IEP may be used to meet the following expenses:

- *Accommodation for office or surgery use—or for occasional meetings*
- 40 • *Equipment and supplies for the office or surgery*

- *Work commissioned and other services*
- *Certain travel and communications.*

In addition, you may transfer money from the IEP to the staffing allowance to meet staffing costs.”

Paragraph 5.12 sets out the rules on the arrangements for Members’ constituency offices, including in paragraph 5.12.1 the following principles:

“You must ensure that arrangements for your office and surgery premises are above reproach and that there can be no grounds for a suggestion of misuse of public money.”

Paragraph 5.12.2 deals with propriety and includes the following:

“You must avoid any arrangement which may give rise to an accusation that you—or someone close to you—is obtaining an element of profit from public funds; or that public money is being diverted for the benefit of a political organisation.”

The text says that some arrangements require particular care, including the following in paragraph 5.12.5:

“Contracts for staff, surgeries etc in combination with accommodation:

You must negotiate a separate contract for accommodation and another one for services (eg: staffing, telephony, use of photocopiers etc). Any agreement for staffing facilities and/or services, and the charges, must be set out in writing separately from any agreement for accommodation. Charges must be for actual, not nominal, services, and the service charges must accurately reflect the levels of service provided. You must lodge a copy of the agreement with the Department and ensure that any subsequent changes are notified in writing immediately to the Department.”

Paragraph 5.13.1 gives examples of allowable expenditure including:

“Hiring facilities for surgeries or meetings.”

Paragraph 5.13.2 deals with allowable expenditure for commissioned work and bought in services, including:

“Work that you would reasonably expect a member of your staff to undertake.”

I would welcome your comments on this complaint in the light of this summary of the relevant rules. In particular, it would be helpful to know:

1. how many constituency surgeries you held in your constituency office for the year covered by the invoice, namely 2006–07;
2. the rate that was charged to you for room hire;
3. whether the invoice covered other services provided by your Constituency Association, and, if so, what they were with the itemised costs and why these services were not separately identified on the invoice;
4. whether there were separate contracts for accommodation or any other services and, if so, whether they were lodged with the Department. I would be grateful for copies;
5. why the invoice for the cost of this room hire for 2007–08 was so significantly different from the invoice for an apparently similar service in 2006–07, although it seems to have included an element for clerical support.

It would be helpful if you could provide copies of the unredacted claims and invoices with your response to this letter.

Any other points you may wish to make to help with this inquiry would be most welcome.

I enclose a note which sets out the procedure I follow. I am writing to the complainant to let him know that I have accepted his complaint, although I will not be considering matters of electoral law, which would be for the Electoral Commission. In accordance with the resolution of the House, I will identify that I am considering a complaint against you and its broad category when I next update my parliamentary webpage.

5 I would be most grateful if you could let me have a response to this letter within the next three weeks. If there is any difficulty about this or you would like a word about the procedure, do contact me at the House. Thank you for your help.

2 March 2011

10 3. Letter to the Commissioner from Mr Bill Wiggin MP, 22 March 2011

Thank you for your letter of 2 March 2011 concerning the latest complaint by Mr James Miller.

15 While I was not the author of the invoice, nor the payer of the money, nor the recipient of the funds; I can confirm that I submitted the invoice and Incidental Expenses Provision claim form to the Fees Office as the sum was wholly, exclusively and necessarily incurred in the course of serving my constituents as a Member of Parliament and not in any way for the cost of party political activity.

To assist you as fully as possible I enclose my responses to your questions set out on page 3:

Question 1

20 Due to PICT [Parliamentary Information Communication and Technology] deleting my electronic records, I do not have my electronic diary going back far enough to help us identify the precise record of the number of constituency surgeries held between April 2006 and March 2007. I normally hold surgeries fortnightly in the various market-towns of my constituency. I have conducted a thorough examination of mileage records, correspondence with constituents, e-mails, newsletters and press releases from the period. On the basis of this evidence, I am confident that surgeries were held at the North Herefordshire Conservative Association (NHCA) on the following days:

25 April 28 2006, July 1 2006, July 21 2006, October 6 2006, November 10 2006, February 8 2007, February 9 2007

It is also possible that surgeries were held at the NHCA on some of these dates which appear in the mileage claims but for which I don't not have correspondence or media releases.

30 April 1 2006, April 6 2006, April 12 2006, July 14 2006, August 30 2006, October 14 2006, December 8 2006, March 31 2007

Question 2

I am not aware that the NHCA charged a separate hourly rate for room hire.

Question 3

35 The invoice covered three aspects of expenditure allowable under the Incidental Expenses Provision. These are:

- *Accommodation for office or surgery use — or for occasional meetings.*

Including the costs necessary for the holding of surgeries both at the NHCA office in Leominster and other locations in my constituency.

- *Work Commissioned and other services.*

40 Including support in the performance of parliamentary duties when my secretary was ill.

- *Communications and Travel*

Minor costs incurred in support of my parliamentary duties.

5 The itemised costs were not identified separately on the invoice because the agent who wrote the document, [name of agent], was unwilling to put more personal information on the invoice and unaware that it was required.

I enclose a letter from the Chairman of the North Herefordshire Conservative Association [name] and a calculation of the charges.¹

Question 4

10 I remember an agreement but not well enough to confirm it. I do not have any record so wrote to the Department of Resources to see if there is anything that they can find which might be helpful to us both. A copy of this letter is enclosed.²

I have received a reply from the Department, who cannot find an agreement. I have left this letter at home in Herefordshire and will send it to you next week.³

There wasn't a separate agreement for accommodation as I do not have a staff member in Leominster.

15 **Question 5**

The NHCA invoice and corresponding Incidental Expenses Provision claim of May 2007 were notably higher than those of May 2008 because, during the former period, a greater quantity of work and services were required from the NHCA office in support of my parliamentary duties.

20 Most significantly, my only secretary, [name of Westminster secretary], became seriously unwell. As a result of her illness she was absent from work during a period from Christmas to February.

The above situation required me to seek temporary cover at Westminster, which I could not get for the whole period. It was therefore essential to get more help from the NHCA staff.

I enclose a letter from [the former agent] and an e-mail from [my former Westminster secretary] confirming that she was unwell and that the Association provided cover for my parliamentary work.^{4 5}

25 I further enclose the unredacted claims and invoices.⁶

22 March 2011

4. Letter to Mr Bill Wiggin MP from the Chairman of the North Herefordshire Conservative Association, 17 March 2011

30 **Explanatory notes relating to the calculation of Charges for work done supporting MP's parliamentary Duties.**

Reference is to the enquiry dated 2nd March from the Parliamentary Commissioner for Standards. That enquiry centres on the invoice dated 21 May 2007 for £5,000, being the cost of parliamentary services provided by North Herefordshire Conservative Association to you during the 12 months ended 31st March 2007. It referred only to "*Hire of Rooms in Constituency office for MP's surgeries*" rather than to the detailed

¹ WE 4 and 5

² WE 6

³ WE 7

⁴ WE 8

⁵ WE 9

⁶ Not included in the written evidence.

calculation of costs incurred by the Association during that period. The enquiry also relates to the equivalent invoice for the following financial year. The following comments relate to the invoice for the 12 months ended 31st March 2007. The detail behind that invoice is attached.⁷

5 During the period in question both the then Association Office Manager, [name] who retired on 31st
 10 December 2009, and the Agent, [name] who left the Association employment in October 2008, had spent a
 significant amount of time supporting Mr Wiggin's parliamentary duties in organising surgeries both mobile
 and in fixed locations such as the Association office in Leominster. In that period Mr Wiggin's PA in the
 Westminster office was the sole secretary and she was absent for a significant time due to ill health. The
 Association Office Manager did provide cover for this period in addition to the usual organisation for
 15 surgeries. Organising surgeries has always, in my time with the Association since January 2003, been carried
 out by the Association office. It involves advertising the venues and locations, dealing with constituents by
 post, e-mail and telephone (which includes finding out what their particular concern is), ensuring that the
 MP's diary is updated by liaison with his Westminster office, ensuring that, where relevant, local councillors
 were briefed to attend and generally taking care that surgeries went smoothly. The Office Manager, who was
 employed on a 26 hour week, reported that she would spend on average some 4 to 5 hours a week on surgery
 tasks and letters alone. For the period of 12 months ended 31st March 2007 it was calculated that she spent
 some 6 hours a week on this work together with the additional support to the Westminster office which
 equates to 23% of her time on parliamentary work including surgeries and other support.

20 [Name], as Agent, would normally attend surgeries to look after constituents and for mobile surgeries would
 be in attendance. He would in the normal course of his work also respond to constituents in the absence of the
 Office Manager who did not work on Fridays or after 4.30 on other weekdays. He reported that he spent
 about 3 hours a week on average out of his nominal 37.5 hour week which is 8% of his time.

25 The office accommodation is provided for the staff and for the Association for meetings. The MP does not
 have a locally based secretary but uses the office for surgeries as it is placed in the centre of the constituency.
 As the constituency is very large the MP uses "mobile" surgeries as well holding from time to time regular
 "fixed" surgeries in the larger towns and villages. The Association does not charge a "hire or hourly" rate for
 the use of the Association office but allocates a reasonable portion of the fixed overheads of the office namely
 rent and business rates. The rent is somewhat below a commercial rate and business rates are discounted
 under the Small Business relief system. The 17.5% allocation was considered a reasonable allocation for the
 30 period under review. According to local property professionals the actual rent of £2,000 compared to a
 commercial rate of c. £3,000 in 2006-07. The current rent (2011) is just £2,700 whilst a recent professional
 estimate is that a commercial rent would be £3,500 in 2011. It is fair, then, to point out not only that the
 allocation of 17.5% is itself reasonable but also that the actual costs are themselves modest.

35 Telephone charges are an estimate. The Association was paying between £45 and £55 a month during the
 period. Room hire was paid out of petty cash and no invoices are available.

40 [Name] as Agent was requested to issue an invoice for the cost of work done. (NB. The Association is not
 registered for VAT.) He was aware that the deadline of 31st May 2007 for submission to the Parliamentary
 Fees Office was close and thus forwarded it directly to the Westminster office. It was duly submitted and the
 Association received payment in full by cheque on June 6th 2007 which was paid into the Association account
 on June 7th 2007. Given that the Fees Office were the responsible payment authority, that no query was raised
 and that the cheque was duly drawn and paid into the Association account without further comment both
 [name of agent] and the then serving volunteer officers of the Association were confident that all was in order.

45 When raising the invoice for the period from 1st April 2007 to January 2008 the Association was asked to
 provide more detail on that and future invoices by the addition of the words "*and associated clerical support*".
 That period was shorter and the Westminster office was fully staffed so that the Association employees were
 required to do significantly less support work.

⁷ WE 5

It is now understood that there should be a more formal approach to the charges and that invoices should be fully detailed as they now are. However it is reasonable to reiterate the point that the Fees Office did not raise the lack of detail or the need for more formality when paying these invoices to the Association.

17 March 2011

5. **Schedule of costs of work done by Constituency Association in support of Mr Bill Wiggin MP's parliamentary duties, 2006-07, enclosure to the Chairman's letter of 17 March 2011**

NORTH HEREFORDSHIRE CONSERVATIVE ASSOCIATION charges for cost of work done supporting MP's Parliamentary duties			
<i>Refer to letter dated 17th March 2011 [Chairman] to Bill Wiggin</i>			
Calculation of Association costs 2006/7			
		£	£
[Name of agent]	Total gross pay as reported to Inland Revenue	25,689.00	
	Employers NIC as reported to Inland Revenue	<u>2,643.06</u>	
	Total cost		28,332.06
Less charges to neighbouring H&SHCA*	Jan 07	1,140.00	
	Feb 07	1,285.00	
	Mar 07	<u>1,253.00</u>	
			<u>3,678.00</u>
net cost to NHCA (8% chargeable to MP)			24,654.06
			1,972.32
[Name of office manager]	Total gross pay as reported to Inland Revenue	10,219.44	
	Employers NIC as reported to Inland Revenue	<u>599.82</u>	
Total costs to NHCA(23% chargeable to MP)			10,819.26
Telephone estimated			100.00
Office costs (rent and council tax £2,740 charged at 17.5%)		2,740.00	479.50
Hire of rooms in Bromyard and Ledbury			<u>50.00</u>
Total to charge			5,090.25
As invoiced			5,000.00

* Hereford and South Herefordshire Conservative Association

6. Letter to the Department of Resources from Mr Bill Wiggin MP, 8 March 2011

I enclose a letter from the Parliamentary Commissioner for Standards. On page 3 he lists various pieces of information that he needs.

5 I would be most grateful if you could find any information that may prove helpful to myself and to the Commissioner.

I remember having an agreement between myself and my Association (The Leominster Conservative Association) for the work that they did. In particular a copy of the Agreement would have been lodged with your department and I would be most grateful if you could provide me with a copy of this.

10 Thank you very much indeed for your assistance with this matter.

8 March 2011

7. Letter to Mr Bill Wiggin MP from Operations Manager, Department of Resources, 16 March 2011

I refer to your letter of 8th March 2011 in respect of payments made to Leominster Conservative Association.

15 I have reviewed all electronic and hard copy records held by the Department of Resources and can confirm that there is no agreement between yourself and your Association held on file.

Please do not hesitate to contact me if you would like to discuss this matter further.

16 March 2011

8. Letter to the Chairman of the North Herefordshire Conservative Association from [the former agent], 17 March 2011

20

Explanatory notes relating to the calculation of charges for work done supporting MP's parliamentary duties.

Reference is to the enquiry dated 2nd March from the Parliamentary Commissioner for Standards. That enquiry centres on the invoice dated 21 May 2007 for £5,000.

25 I can confirm that in May 2007 I raised an invoice for the services provided by the North Herefordshire Conservative Association to Bill Wiggin MP for parliamentary work.

I prepared it as submitted. I recognise now that the description could have been more detailed. It didn't occur to me that the words "Hire of Rooms" would be taken so literally and it was essential to get the invoice in on time.

30 I was aware that the deadline of 31 May 2007 for submission to the Parliamentary Fees Office was close.

17 March 2011

9. Letter to Mr Bill Wiggin MP from his former Westminster secretary, undated

35

During December 2006, I remember having to take a few days off as I thought I had [minor illness]. I came back to work until Christmas, but on Boxing Day, [details of development of more serious illness]. [I] was confined to bed for several weeks.

I confirm that I was unable to return to work until after the end of January 2007 and I remember that the Leominster office had to take on a lot of your parliamentary work during my absence. [Name of temporary secretary] was also drafted in to temp for a week or so because of the workload.

5 When I returned it was agreed that there was simply too much work for one person to manage and you subsequently hired [name] to assist.

Undated

10. Letter to Mr Bill Wiggin MP from the Commissioner, 29 March 2011

10 Thank you for your letter of 22 March responding to mine of 2 March about this complaint in respect of some of your constituency costs. I was most grateful for this response and for the helpful statement from the Chairman of the North Herefordshire Conservative Association with its attachments. Thank you too for forwarding to me the letter of 16 March from the Department of Resources confirming that the Department has no agreement for the provision of services held in their files.

It would be very helpful if you could clarify for me the following points:

- 15 1. The cost of surgery accommodation away from the Association's Leominster office—the Association's spreadsheet for 2006–07 suggests that there is a charge of just £50 for rooms in Bromyard and Ledbury. I understand from your letter, however, that you held fortnightly surgeries in the various market towns in your constituency which I assume to be additional to those surgeries (between 7 and 15 in 2006–07) which you held in Leominster. Could you let me know how many
- 20 surgeries you held outside the constituency office in Leominster (to the best of your recollection) in 2006–07 and how the accommodation for them was funded?
- 25 2. The invoices—I note that in his letter to you of 17 March, the Chairman says the words “*and associated clerical support*” was added to the invoice for 2007–08 at the request of the Department of Resources (the Parliamentary Fees Office). I hope I am right in assuming, therefore, that there is an earlier invoice for that year which follows the precedent for 2006–07. If the Chairman had a copy of that earlier invoice, it would be helpful to see it.
- 30 3. Costs of sickness cover—I note that the Office Manager needed to work additional hours in 2006–07 because of the sickness of your Westminster secretary. If you had any further documentation relating to the arrangements you made for cover, including records of any claims you made for Temporary Secretarial Assistance, which I understand may have been available at the time, it would be most helpful to see it.
- 35 4. Claim breakdown—I have considered the evidence you sent me against the claims you made from 2005–06 to 2009–10 which I have found on the parliamentary webpages. Your claims would appear to be as follows:
- a. 2004–05—total claim: £500 (paid in 2005–06). I assume this covers staff costs as well as surgery accommodation, both in the constituency office and elsewhere. If this is wrong, please let me know.
- b. 2005–06—total claim: £1,800. My assumption is as for 2004–05. If this is wrong, please let me know.
- 40 c. 2006–07—total claim: £5,000. Your evidence is that this comprises the following (totalling £5,090.25 but invoiced at £5,000):
- Office Manager—£2,488.43—the Chairman's evidence is that it was necessary for the office manager to work an additional one to two hours a week throughout the financial year over and above her normal working pattern of four to five hours a week, because of the sickness absence of your Westminster secretary.
 - 45 • Agent—£1,972.32—three hours a week or 8% of his time.

- Office costs—£479.50—including council tax.
- Other costs—£150—comprising telephone and hire of rooms elsewhere.

5 d. 2007–08—total claim: £1,984.50, comprising £800, for hire of rooms in the constituency office and associated clerical support from April 2007 to January 2008, and £1,184.50 for hire of rooms and associated clerical support from January to March 2008 (actually paid in 2008–09).

e. 2008–09—total claim: £1,871, comprising £30 for room hire; and £896 and £945 for secretarial services.

f. 2009–10—total claim: £2,588.75. The published data show that this comprises the following:

- Office manager: two payments of £1,087.90 each for 110 hours, making a total of £2,176.
- 10 • Surgery hire charges (stationery, village hall, newspaper adverts): one payment of £154.25 and one of £84, making £238.25 in total.
- Hire of rooms in Association office, one payment of £91.20 and one of £83.50, making a total of £174.70.

15 I am finding it difficult to reconcile this varied pattern of claims with the evidence you have sent me. In particular, it would be helpful to know:

- 15 i. Why your office manager was paid for an extra one to two hours a week throughout 2006–07 (totalling broadly £800) to cover your Westminster secretary's sickness absence when it appears from your then secretary's evidence that she was away for only just over one month.
- 20 ii. Why the agent's costs in 2006–07 (£1,972.32) were not replicated in any of the other financial years, given the Chairman's evidence that these costs were incurred in supporting your surgeries and that support was presumably necessary in other financial years.
- iii. How the Association decided that the appropriate share of the accommodation costs for your parliamentary work was 17.5%, and not some other proportion.
- 25 iv. Why your office accommodation was charged at £479.50 in 2006–07 when the cost charged in 2008–09 for room hire was £30 (the rest of the claim was apparently for secretarial services) and in 2009–10 hiring the Association's rooms amounted to £174.70.

30 I apologise for coming back to you on these points and I am grateful to you, the Chairman of the Association and your agent, for the detailed work you have done in helping me with this inquiry. The main point of my questions is to try to identify why the costs appear to be so markedly higher in 2006–07 compared to other years.

If you could let me have a response to this letter within the next two weeks, I would be most grateful. If there is any difficulty about this, do please get in touch. Thank you again for your help.

29 March 2011

11. Letter to the Commissioner from Mr Bill Wiggin MP, 12 April 2011

35 Thank you for your letter of 29 March 2011.

Responsibility for the charges applied in the claims to which you refer lies with the North Herefordshire Conservative Association (NHCA). For this reason, I have asked that the former Association Chairman, [name], write to you separately regarding Questions 2 and 4.⁸

Question 1

- 5 In my first letter I was able to identify from mileage records, correspondence with constituents, e-mails, newsletters and press releases when a number of my surgeries were held in Leominster. It is much harder to identify those held in other parts of the constituency. We have not got the records, there are fewer references to surgeries in letters and it is not clear from mileage records alone the exact reason for my visit to a particular town or village.
- 10 I am sorry, as I would like to have presented you with a list of venues, although my office neither booked them nor paid for them. I will quite often use a pub and in some areas where it is very rural I will use the church or somebody's home: none of these venues would carry a charge. However, the key part of your question revolves around other costs associated with booking surgeries and in this I had no part at all.

Question 3

- 15 During the absence of [name of Westminster secretary] a temporary secretary, [name], was taken on. I do not recollect precisely how long for, but the evidence available suggests a very brief period and certainly not the whole of January. I enclose a copy of her timesheet.⁹ Further documentation relating to this arrangement may have been lodged with the Parliamentary Fees Office.

- 20 The sudden and unforeseeable nature of [my Westminster secretary's] absence made it impossible to find suitable secretarial cover for its entire duration. The NHCA responded to this crisis in my Westminster office by dedicating a greater quantity of time and resources to the support of my parliamentary duties and for this I am extremely grateful.

Temporary Secretarial Allowance may have been available at the time. However, because I had sufficient money in my Incidental Expenses Provision budget it was not necessary to claim TSA.

- 25 **Question 4**

I refer you to the letter of [former Association Chairman].¹⁰

I further note that [he] has now stepped down as Association chairman and may be less well positioned to respond to further enquiries on this matter.

12 April 2011

- 30 **12. Timesheet for temporary secretarial cover in week ending 19 January 2007**

	Morning	Lunch	Afternoon	Hours worked
Tuesday	10.00 am	0.5	6.00 pm	7.5
Wednesday	11.30 am	-	6.00 pm	6.5
Thursday	9.00 am	0.5	5.30 pm	8.0
Friday	9.30 am	0.5	5.00 pm	7.0
Total				29.0

⁸ See WE 13

⁹ WE 12

¹⁰ WE 13

Authorised by Mr Bill Wiggin

19 January 2007

5 **13. Letter to the Commissioner from the former Chairman of the North Herefordshire Conservative Association, 12 April 2011**

10 Bill Wiggin MP has asked me to write to you in connection with your letter to him of 29th March 2011 concerning the complaint from Mr Miller. I should explain that I am no longer Chairman of North Herefordshire Conservative Association (NHCA) having completed my four year term of office. Question references are to your letter.

Question 1

As stated in my letter of 17 March 2011, during my time with the Association the organisation of Mr Wiggin's constituency surgeries has always been carried out by NHCA employees.

15 However, the Office Manager's electronic records from this period have been lost and it was not practice to keep hard copies of documents relating to the MP's surgeries. We have thus been unable to help Mr Wiggin in providing a record of constituency surgeries during 2006–2007.

Question 2

I did not state that, *"the words 'and associated clerical support' was added to the invoice for 2007–2008 at the request of the Department of Resources..."* nor was this implied.

20 The former Agent and I recall that Mr Wiggin suggested the additional words. Only one invoice was issued which, as with earlier invoices, was paid promptly by the Department without any query.

Question 4

- 25 i) It is my recollection that the majority of the Association Office Manager's additional work fell during the period of [Mr Wiggin's Westminster secretary's] illness and nowhere in my previous letter to you do I specify that the extra hours were spread evenly over the 12 months from April 2006 to March 2007. The charge for her time was calculated as the proportion of her gross salary and employer's NIC for the tax year 2006-07 that the hours she spent on the MP's parliamentary activities bore to her total annual hours.

30 I would also like to clarify that the Office Manager worked the same hours overall during the time of [Mr Wiggin's Westminster secretary's] illness — it was the proportion of her time spent supporting Mr Wiggin in his parliamentary duties which increased.

- 35 ii) From 1st January 2007 the agent, [name], also began working for Hereford and South Herefordshire Conservative Association (H&SHCA). By May 2007 he was spending more than half his time working for the H&SHCA and it became clear that he was no longer able to support Mr Wiggin in the course of his parliamentary duties.

This role was then taken on by me, as Association Chairman, with the assistance of the Branch Chairmen. As we are volunteers no charge was made. [The agent] left NHCA altogether in November 2008, on being given an agent's job in [location], and was not replaced.

40 In the two financial periods previous to 2006 any agent's costs relating to the MP's parliamentary duties would have been included on the same basis as for 2006–2007, but not itemised.

- 45 iii) 17.5% of rent and business rates was considered an accurate reflection of the actual cost to the NHCA in providing accommodation to Mr Wiggin in relation to his parliamentary duties — both directly, for his surgeries, and indirectly through the work and services provided to Mr Wiggin by two employees whilst they were based at the Association office.

Nothing was charged for heat, light, stationery, postage or other overhead expenses.

- iv) The charge for accommodation in 2006–2007 was notably higher because Association employees spent an unusually large proportion of time on Mr Wiggin’s parliamentary duties whilst based at the Association office, for reasons that have already been explained.

5 However, it is also the case that in 2008–2009 the NHCA failed to charge a proportion of rent and business rates owing to a misunderstanding on the part of the volunteer Treasurer, who had become responsible for raising these invoices following the departure of the former Agent.

10 From 2009 the allocation of rent and rates was resumed, with the lower allocation reflecting the lower proportion of Association employee time spent on Mr Wiggin’s parliamentary duties whilst based at the Association office.

15 In summary as from 1st May 2007 the Agent was allocated different duties so that specific support for the MP’s parliamentary duties was taken on by volunteers. The Agent’s costs then dropped out of the chargeable costs. In 2008, as a result of the change to the Agent’s tasks and then his departure, the Office Manager worked longer hours on an enhanced salary which was reflected in the charge. In December 2009 she retired having reached normal retirement age. The present Office Manager, who was employed from 1st November 2009, carries out some Agent duties as well as the usual administrative duties including support for the MP’s parliamentary duties.

20 The various changes described above account for the varied pattern of claims. I trust that the above information will satisfy you that NHCA charges have always been both fairly computed and relate wholly to the MP’s parliamentary activities.

12 April 2011

14. Letter to the former Chairman of the North Herefordshire Conservative Association from the Commissioner, 18 April 2011

25 Thank you for your letter of 12 April responding to the request from Mr Wiggin to write to me in connection with my letter to him of 29 March about his office expenses.

30 I was most grateful to you for agreeing to be a witness for this inquiry. I enclose a note which sets out the procedure I follow for witnesses. As you can see, since our correspondence is conducted during the course of an inquiry, I do ask that it is not disclosed more widely. Your letters will, however, be published following the conclusion of my inquiry, either with a report from the Committee on Standards and Privileges or on my parliamentary webpages.

I hope you will be able to help me on some points which arise from your letter. If there is a more appropriate person from the Association to deal with these points, please let me know. You have already identified some points which you believe I have misunderstood from the earlier document which you provided to Mr Wiggin and so it is important that I do have a clear understanding of what you have said.

35 The points on which I would welcome your further help are as follows:

1. I appreciate that you have no record of the surgeries which Mr Wiggin undertook in 2006–07. But could you let me know whether, from your recollection, it is likely to be accurate that you needed to pay for the hire of only two rooms that year (in Bromyard and in Ledbury) at a total cost of £50?
- 40 2. I am not sure that I have quite understood your evidence in relation to the employment on parliamentary duties of your office manager in 2006–07. It would appear in the evidence of Mr Wiggin’s then secretary that she was away ill for just over one month.¹¹ Of that, Mr Wiggin has told me he employed a full-time temporary secretary for “*a very brief period*”. Taking the evidence which

¹¹ WE 9

- 5 you gave Mr Wiggin in your note of 17 March that the office manager would spend on average some 4 to 5 hours a week on surgery tasks and letters alone, but for 2006–07 she spent some 6 hours a week on this work,¹² I am having some difficulty in working out how many extra hours she worked during the period of the Westminster secretary's illness. You have told me that the majority of the office manager's extra work fell during the period of Mr Wiggin's Westminster secretary's illness. Assuming this extra work was for a 5 week period during the secretary's absence from the office, it follows that the office manager would have worked some 20 hours of her 26 hour week for Mr Wiggin on parliamentary business over these 5 weeks. Is this a reasonable assumption? If not, could you let me know how the exceptional costs of £2488.43 for her for that year were put together?
- 10 3. The total claim for 2004–05, including the office manager's parliamentary time, was just £500. Could you let me know why the costs of her work and the accommodation charges were so low for that year, compared to all succeeding years? Even if all but £50 of that sum went to the office manager's salary costs, that would equate to just over 1 hour a week for the year—many fewer than the 4–5 hours set out in your note of 17 March.
- 15 4. My understanding is that the agent's costs would have been included in the total claims for 2004–05 and 2005–06. You have told me, however, that he spent about 3 hours a week on average (8% of his time) on this work, which included attending constituency surgeries and responding to constituents in the absence of the office manager, who did not work on Fridays or after 4.30 on other weekdays. If that applied to those previous years then it is difficult to see how the sums involved (which came to nearly £2,000 in 2006–07) could have been included in the total claims for £500 and £1,800 for the previous years, 2004–05 and 2005–06. If in fact he was not spending anything like that time in those previous years, why was that and why was it necessary for him to increase his involvement so substantially in 2006–07?
- 20
- 25 5. I have noted what you have said about the reasons why the costs of accommodation changed so markedly from 2006–07 to 2009–10. I have considered the basis on which you charged £479.50 in 2006–07 and just £174.70 in 2009–10. You have said the office cost was in proportion to the employee time spent on parliamentary duties. I calculate on the basis of your evidence that the employee time spent on parliamentary duties in 2006–07 was 24% of one full time employee. For that year the accommodation cost was charged at 17.5% of the total rent and rates. In 2009–10 the employee time spent on parliamentary duties was 220 hours, i.e. 11% of one full time employee. Assuming similar total accommodation rate and rent costs as 2006–07, the cost charged to Mr Wiggin was 6% of that total. The relationship between the accommodation costs and staff time in both years is therefore broadly similar. I would be grateful if you could confirm these assumptions which I have drawn from your evidence.
- 30
- 35 It would be very helpful if you could let me have a response to this letter within the next two weeks. If there is another Association office holder who is better placed to respond to this now than you, could you let me know within the next week who that might be? I would be most grateful for your help with this.

18 April 2011

15. Letter to Mr Bill Wiggin MP from the Commissioner, 18 April 2011

- 40 Thank you for your letter of 12 April with a partial response to my letter of 29 March requesting some further information to help my inquiries into this complaint.

You have said that responsibility for the charges applied lies with the North Herefordshire Conservative Association. I know you will appreciate that, while they may be able to provide me with the relevant information, under the rules of the House responsibility for a Member's claims rests solely with the Member.

¹² WE 4

I was grateful to receive a letter of 12 April from the former Chairman of the Association, responding to your request that he write to me separately about questions 2 and 4 of my letter to you of 29 March.

I enclose a copy of the former Chairman's letter, and a copy of my response asking for further information, or that he identify an Association office holder who may be able to help me on these matters.

5 You will also see that the former Chairman recalls that it was you who asked that the explanation on the 2007–08 invoice be amended from previous years by the addition of the words "*and associated clerical support*". I would be grateful if you could confirm this and let me know why you decided that the invoice explanation needed changing and how you decided on the form of words used.

10 I would be grateful if you could let me have a response on this invoice point within the next two weeks and I will in any case be back in touch when I hear again from the former Chairman of the Association. Thank you for your help.

18 April 2011

16. Letter to the Commissioner from Mr Bill Wiggin MP, 2 May 2011

Thank you for your letter of 18 April 2011.

15 I think it is misleading to describe my letter of 12 April as a partial response. I sent you hard copies of replies from both myself and the NHCA Chairman which between them answered all of your questions as fully and accurately as possible.

20 As supplier and charging body, the North Herefordshire Conservative Association is best placed to answer your questions relating to a detailed breakdown of the rates applied. I therefore felt that this approach was not only more transparent but also more helpful to your enquiries.

With regards to the amended wording on the 2007–08 invoice, if [the former Chairman] and [the agent] recall the conversation then I am sure they are right, but I cannot honestly put my hand on my heart and say that I specifically remember it.

25 Because the Fees Office had never rejected an invoice with the original wording, it seems likely that any request I made to [the agent] would have been informal, with the intention of providing more clarity.

[Material relating to other matters]

2 May 2011

17. Letter to the Commissioner from the former Chairman of the North Herefordshire Conservative Association, 10 May 2011

30 I refer to your letter of 18th April, received on the 27th April, as a result of which I have made further enquiries. Since the periods which you are reviewing substantially coincide with my time as Chairman and as my immediate predecessor as Chairman is no longer an Officer of NHCA then I remain the best contact despite relinquishing the Chairmanship last month.

35 I would like to make the general point that, historically, North Herefordshire Conservative Association (NHCA) has supported its successive MPs' parliamentary duties without charge. In late 2004 the NHCA Executive Council instructed the NHCA Officers to seek payment. Mr. Wiggin agreed on the strict condition that NHCA would only charge for work related solely to his parliamentary duties. The Agent was then instructed to raise the necessary invoices.

Dealing with your points in turn:

40 1. In 2006–07 we charged room hire only for those venues the charges for which were substantiated. Mr. Wiggin also holds surgeries in places which do not charge or carries out "*mobile*" or roving surgeries. It

would be incorrect, therefore, to infer that only a few surgeries were held. I would remind you that NHCA does not levy a specific "hire" charge for use of its committee room in Leominster.

2. When the invoice for 2006–07 was prepared the then Treasurer discussed the time spent in support of the MP's parliamentary duties with the office manager, [name], and agreed that it equated to about 6 hours per week. This was calculated to be 23% of her contracted working week. We were fortunate in that [the office manager] carried out whatever work had to be done without strict regard to her contractual hours. I recall that during this 12 month period she worked extra hours over and above her contractual hours on many occasions and that volunteers had to step in to complete NHCA related work.

Before she was taken ill [Mr Wiggin's Westminster secretary] was working roughly ten hours a day and she was Mr Wiggin's only secretary and caseworker in 2006-07. Over the period as a whole very substantial support was provided to Mr. Wiggin's office by [the office manager] in order to help cope with the demands that his parliamentary duties imposed. That support was significantly increased during [Mr Wiggin's Westminster Secretary's] absence as [the office manager] performed the majority of [Mr Wiggin's Westminster Secretary's] parliamentary work in that period.

3. The invoice for 2004-05 was raised by the former Agent, [name], whom I have contacted to ask for his recollection about its calculation. With the benefit of hindsight it is clear that this invoice understated the cost to NHCA of [the office manager's] support given to Mr. Wiggin in the execution of his parliamentary duties and did not include any part of [the agent's] cost. I also learned that [the agent] did not include a proportion of fixed overheads either for this period or the following one. See also below.

4. You ask about the proportion of [the agent's] costs included in the 2004–05 and 2005–06 invoices. It had been my understanding that these invoices would have included charges representing the time spent by him in supporting Mr Wiggin's parliamentary duties. However, having revisited with [the agent's] help the details about his duties during those financial periods it is now clear to me that those invoices do not include charges for his time. In the run up to the May 2005 General Election he was seconded for three days out of five to assist the neighbouring constituency of Worcester City. This took up much of his time in the second part of 2004 and the first half of 2005. [The agent] also explained that it would have been open to misinterpretation to charge for his time in years encompassing campaign activity. Thus when he raised these two invoices he did not charge for his time.

5. The method by which you have made your calculation of the allocation of fixed overheads (accommodation costs), namely rent and business rates, is not entirely clear to me. The NHCA approach has been to calculate a proportion of fixed overheads approximating to the proportion of total employee time spent on parliamentary duties. We have also been careful not to overcharge for this cost. In the earlier period we had two paid employees but since November 2008 only one which reduced the charge. I am not sure if this is what you meant.

In summary the NHCA has a history of either not charging for the support of its MPs' parliamentary duties or of undercharging for them. In particular I trust that you now have sufficient information to satisfy you that NHCA has never charged for anything other than support for Mr. Wiggin's parliamentary duties and that those charges are reasonable.

Please note that I shall be away from [date] to [date] inclusive.

10 May 2011

18. Letter to the former Chairman of the North Herefordshire Conservative Association from the Commissioner, 17 May 2011

Thank you very much for your letter of 10 May responding to mine of 18 April about my inquiry into Mr Wiggin's office costs. I was most grateful for this response.

You asked for some clarification of the calculations which I made about the relationship between staff charges and your accommodation charges in 2006–07 and 2009–10. Taking account of the further evidence in your letter of 10 May 2011, I have revised these. I attach a short schedule which sets out the workings more fully.¹³ While I note that you intended to charge the same proportion for accommodation as you charged for staff time, my calculations show that in fact the proportions were a little different in 2006–07. This schedule represents my understanding of your evidence, however if you want to offer any different calculations to explain the accommodation charges, please do so.

In your evidence you said that a principal reason for the marked drop in overhead costs in 2009–10 was because from November 2008 only one employee worked on Mr Wiggin’s parliamentary duties, when in the earlier period you had two employees. But on the basis of your previous evidence, I had understood that the second employee, the agent, ceased to provide this support in May 2007 – 18 months earlier. My assumption is that he would then, therefore, have ceased to have any of his salary costs or any share of the accommodation cost charged to Mr Wiggin. Could you confirm that the second employee referred to was indeed the agent, but that after May 2007 the Association no longer charged for any of his salary or accommodation costs? I note also that no charge was made for the accommodation costs in 2008–09, but assume that these were charged in 2007–08.

I am having some difficulty in reconciling your evidence in respect of the 2004–05 costs of £500, with Mr Wiggin’s claim forms and would be grateful if you could clarify the position. The evidence in your letter of 10 May 2011 was that the Association did not start to charge for the support provided parliamentary duties until late 2004.¹⁴ But the wording on Mr Wiggin’s claim form said this was for “*surgey accommodation over 12 months*”. I would be grateful if you could let me know whether the £500 claimed was for costs in supporting Mr Wiggin’s parliamentary duties over the last quarter of 2004–05 or the entire year.

In addition, Mr Wiggin said in his letter to me of 22 March that he recalled that there had been an agreement between himself and the Association for accommodation of which neither he nor the House authorities had any record.¹⁵ I would be grateful if you could confirm your recollection of any such agreement and, if available, provide me with a copy of it.

It may be helpful if I summarise my understanding of your evidence of why the claims for 2006–07 were substantially above the claims for other years. This is as follows:

1) The office manager’s costs were charged at 6 hours a week to cover the high volume of constituency work that year and the illness of Mr Wiggin’s London secretary. The £2,488.43 charge for her salary represented 23% of her contracted hours. This proportion for the office manager is higher than all other years from 2004–05 to 2009–10. The relevant proportions are as follows, and are set out in the second short schedule attached:¹⁶

a. In 2004–05 the charge for the office manager, for the final quarter of that year, was £500. Assuming a similar salary to 2006–07 and a contracted working week of 26 hours, this would have equated to 19% of the office manager’s time charged for parliamentary duties.

b. In 2005–06 the charge for the office manager was £1,800. Calculated as above, this would have equated to 17% of the office manager’s time charged for parliamentary duties.

c. In 2007–08 the charge for the office manager was approximately £1,600, allowing almost £400 for office costs. Calculated as above, this would have equated to 17% of the office manager’s time charged for parliamentary duties.

d. In 2008–09 the charge for the office manager was £1,841. Calculated as above, this would have equated to 17% of the office manager’s time charged for parliamentary duties.

¹³ Not included in the written evidence.

¹⁴ WE 17

¹⁵ WE 3

¹⁶ Not included in the written evidence.

e. In 2009–10 the Association charged for 220 hours of the office manager’s time, 16% of her time, assuming a contracted working week of 26 hours.

2) The agent’s costs of £1,972.32 for 2006–07 were charged only for that year and not for any of the other years from 2004–05 until he left in November 2008. This was because before 2006–07 the Association made no charge for the agent’s duties because the Association felt it would have been open to misinterpretation to charge for his time in years encompassing campaign activity in the run up to the General Election. In the light of this, I would be grateful if you could confirm whether the agent provided any support to campaign activity in the run up to the local elections in 2007. No charge was made after 2006–07 as the agent’s role in supporting Mr Wiggin’s parliamentary duties was taken on from May 2007 by volunteers, and later from November 2009, by the Association’s new office manager.

3) There was no separate charge for the use of the Leominster offices for constituency surgeries. The charges passed on for surgeries elsewhere in the constituency (£50) were only to recoup any hire charges made and in most cases there was no charge for those venues. But could you clarify whether there was any charge associated with a “mobile” or roving surgery referred to in your letter of 10 May and help me on what activity this involved?¹⁷

4) The accommodation overhead costs charged for 2006–07 was £479.50, representing 17.5% of the total rent and business rates. This was about £100 above the proportion attributed to staff time charged for supporting parliamentary duties as a proportion of their total time available, but as you say in your letter of 12 April, this took no account of costs incurred for surgery accommodation, utility costs, stationery or postage.

I would be grateful if you could just confirm that this is a reasonably accurate summary of the evidence you have given me. From this, my understanding is that the comparatively high charges in 2006–07 were because some of these charges were not billed to Mr Wiggin before then (even though the costs were incurred by the Association in supporting Mr Wiggin’s parliamentary duties) and that the higher level of the office manager’s costs in 2006–07 were a consequence of both the Westminster secretary’s illness and what looks like an unusually high volume of case work in that year.

Could you therefore:

1. confirm or revise the calculations made in the schedules comparing staffing costs with accommodation costs and the proportion of the office manager’s time spent each year supporting parliamentary duties;
2. confirm that the second employee referred to was the agent, but that after May 2007 the Association no longer charged Mr Wiggin for his salary or accommodation costs;
3. confirm whether the 2004–05 invoice covered support provided over the last quarter of 2004–05 or the entire year;
4. confirm your recollection of an accommodation agreement, and if available, provide a copy;
5. confirm whether the agent, whose costs in 2006–07 were claimed for, provided any support to the local election campaigns in 2007;
6. explain what is involved in a “mobile” surgery and confirm that no charges were incurred for such surgeries;
7. confirm or revise the summary of your evidence given above?

I am sorry to trouble you further on these matters. I am sure you will understand why it is necessary for me to have as clear a picture as possible to explain the variations in the charges the Association made. I note that you are away from [date] to [date] inclusive. But if you could let me have a response to this letter within the next four weeks, I would be most grateful.

¹⁷ WE 17

17 May 2011

19. Letter to the Commissioner from the former Chairman of the North Herefordshire Conservative Association, 14 June 2011

I refer to your letter of 17th May. My comments follow your paragraph order.

5 The first schedule seeks to compare the charges for 2006–07 with those for 2009–10.¹⁸ In my letter of 12th April I explained that following the Agent’s departure the Office Manager worked longer hours and for an increased salary.¹⁹ With effect from 1st December 2008 her working week became 30 hours not 26 as she covered Fridays in addition to Monday to Thursday as she had previously done. Thus the time spent on support for parliamentary duties equates to 14% of the whole. I also explained in the same letter that the allocation of rent and rates was reduced to reflect less employee time but should have made clear that a smaller proportion of the total rent and rates was apportioned. The office used by the Office Manager is approximately a third of the whole. On that basis the hours equate to 5% of the total rent and rates. In 2009–10 that total was actually £3,490 which gives £174.50 as charged. The 5% calculation was first used in the invoices for 2009–10 when the Treasurer started to add the rent and rates.

15 The second schedule acknowledges that we did not charge Rent and Rates for 2004–05, 2005–06 and 2008–09.²⁰ I have spoken again with the former Agent about the charge for 2007–08. Unfortunately he has no recollection of whether or not Rent and Rates were charged for that year. It is possible therefore that the Agent again omitted any charge for Rent and Rates.

20 The reduced charge for Rent and Rates in 2009–10 has been explained above. You are correct in assuming that we did not charge either for the Agent’s direct costs or for an allocation of Rent and Rates applicable to his office space except in 2006–07. It is worth pointing out that on the invoice for 2008–09 the increase from 4 hours per week to 6 per week in support of Mr Wiggin’s parliamentary duties which is shown on that invoice is certainly due to the departure of the Agent.

25 With respect to the charge for 2004–05 I explained in my letter of 10 May that the Association did not charge for support for successive MPs’ parliamentary duties until the cost of that support was raised by senior members of the Association who then instructed the management to seek payment.²¹ I also explained that the then Agent prepared the first invoice in some haste and without consultation with volunteer Officers and therefore undercharged. It was intended to cover the full 12 months ended March 2005. My reference to “late 2004” was that that was when the Association first started to raise invoices for the costs of supporting Mr Wiggin’s parliamentary duties. It should not be interpreted as meaning that the charge was for the 4th quarter only. As I also indicated in the same letter we now know that the charge levied was a significant underestimate. It should not be used as a meaningful starting point when considering later years.

35 Since the Association does not provide Mr Wiggin with office space we do not and have not charged for such accommodation. As Mr Wiggin made clear in his letter to you of 22 March there is, therefore, no “accommodation agreement”. With respect to acceptance of the charges for time spent supporting parliamentary duties I reiterate the point I made in my explanatory notes of March 17th that as all invoices up to and including those for the 12 months ended 1 April 2010 were paid promptly both the volunteer Officers and the then Agent were confident that all was in order.

40 Excluding the exceptional year 2006–07 the Office Manager spent and continues to spend between 14 and 17% of her time in support of Mr Wiggin’s parliamentary duties. Since our Treasurer became responsible for the preparation of the, now, six monthly invoices, he has asked the Office Manager, both the previous and the present one, to give him an indication of time spent in the above support prior to preparing each invoice. That particular workload has remained fairly constant over the years. Both the Treasurer and I, when Chairman,

¹⁸ Not included in the written evidence

¹⁹ WE 13

²⁰ Not included in the written evidence

²¹ WE 17

spend at least a day a week in the office and can vouch for the time spent supporting Mr Wiggin's parliamentary duties. Indeed we do it ourselves when standing in for the Office Manager when she is away. I also stress that by adopting an hourly rate we are now more consistent from one invoice to the next compared with the period when the former Agent prepared the invoices.

5 You ask whether the Agent provided support to campaign activity in the run up to the May 2007 Local Elections. He did, but it may help to explain that in carrying out his duties, including campaign work, liaison with the Association's management and with Branches, the Agent would work more than his contractual hours. Most of this work actually takes place outside normal working hours to suit canvassing and the time when volunteer officers meet which is almost always in the evenings or at weekends. However the Agent was
10 always involved in supporting Mr Wiggin's parliamentary duties. It should be borne in mind that throughout the time we had two employees, namely the Office Manager and the Agent, the Agent was on his own in the office on Fridays because the Office Manager did not work on a Friday. He would therefore respond to calls by constituents just as she would have done. This requirement to be in our office on a Friday applied regardless of whether or not the Agent was shared with other Constituency Associations. In 2006-07 the
15 Agent was heavily involved because of the workload explained in my letter of 10th May.²² We were therefore justified in charging for the Agent's time for that period in particular.

"Mobile" surgeries are an effective way for an MP who represents a rural constituency to allow as many constituents as possible to meet him without having to make arrangements to travel to one of the static locations such as Leominster or Ledbury. North Herefordshire stretches from the Welsh border to the SW of
20 the County including, effectively, the whole County North and East of the river Wye save for part of Hereford City. The total area of the constituency is 562 square miles making it the tenth largest in England. For a mobile surgery a route is selected which Mr Wiggin follows starting at, say, 9.30AM and continuing to, say, 5PM calling at various village hall or country pub car parks. No charges would be incurred for using these car parks. The Office Manager, in consultation with Mr Wiggin's Westminster office, will agree a route and timings,
25 allowing for, say, 10 or 15 minutes at each stopping point. She will then advertise the route and timings and supply the relevant ward councillors and parish clerks with the same information. This will then be posted on Parish notice boards and at Parish meetings.

When we had an Agent he would accompany Mr Wiggin on mobile surgeries and when the Agent left I took on that task as Chairman. Our role was to provide general assistance if needed. We would also expect local
30 Councillors to join in in their own ward. I can confirm that in the course of a mobile surgery Mr Wiggin, with perhaps 10 halts, would meet as many as 20 or more constituents who might not otherwise have been able to see him. No appointments are necessary but will be booked if requested by a constituent.

In summary, referring to page 3 of your letter:

- 35 1. I have commented on each schedule and revised or explained, as appropriate, the calculations you have made.
2. The second employee was the Agent whose related costs including overheads were included only in 2006-07.
3. The 2004-05 charge of £500 was intended to cover the full year but can now be seen as a significant underestimate. Therefore it does not provide a meaningful comparison with later periods.
- 40 4. Please refer to explanation above.
5. Please refer to explanation above.
6. Please refer to explanation above.
7. Whilst I cannot confirm your summary the extent to which I disagree should be clear from the further explanations set out above.

²² WE 17

The Association is rigorous in its costing approach when charging for those costs properly applicable to support for the MP's parliamentary duties. When in doubt it has not charged at all, as, for example, in the case of the Agent's costs. We undercharged significantly in 2004–05. 2006–07 was exceptional as has been previously explained and from 2007–08 we have been careful to provide a full description of the relevant costs.

5 We only charge that part of our overhead costs relating to Rent and Rates and now only a proportion appropriate to the space provided for the Office Manager.

14 June 2011

20. Letter to the former Chairman of the North Herefordshire Conservative Association from the Commissioner, 16 June 2011

10 Thank you very much for your letter of 14 June responding to mine of 17 May in which I had put to you some follow-up points about your evidence in respect of my inquiry into this complaint.

I was very grateful indeed for your response. I know you will appreciate that I do need to have a clear understanding of your evidence, and that it is clearly in the Member's interest in resolving this complaint satisfactorily that I do so.

15 I therefore enclose the revised schedules which I hope now accurately reflect your evidence.²³ I have also revised the summary of your evidence, detailing why the claims for 2006–07 were substantially above the claims for other years. I do need to produce this so that the evidence can be clearly understood by anyone considering the basis on which I will need to form my conclusions. My revised summary is, therefore, attached at schedule 3.²⁴

20 There is one final point which arises from your evidence and the suggestion by the complainant that the sums in 2006–07 were wrongfully claimed with the intention of paying into the funds of a political party. Your evidence suggests that the claim of 2006–07 covered more of the full costs of Mr Wiggin's parliamentary use of the party's facilities than in other years, where the accommodation and the agent's costs were not claimed for. Can you help me on why the 2006–07 claim is more complete than in previous or succeeding years and if

25 there is anything in the suggestion that it was because the party needed the money (albeit on your evidence it was quite properly claimed for).

I hope that I have adequately picked up all the points you have so helpfully made and, if so, that you will be able to confirm the accuracy of the three schedules without too much further trouble as well as commenting on the final point set out above. If there remain inaccuracies, it would be most helpful if you could revise the

30 schedules so that they most accurately reflect the evidence as you have given it to me.

Could I ask for a response to this letter within the next week so that I can show the outcome to Mr Wiggin and take this inquiry forward to its conclusion? I am most grateful for your continued help.

16 June 2011

35 21. Letter to the Commissioner from the former Chairman of the North Herefordshire Conservative Association, 27 June 2011

I refer to your letter of 16th June.

It is stated in your schedule 1 v.2 at note 1 that from 1 December 2008 the total weekly hours worked by North Herefordshire Conservative Association (NHCA) became 67.5.²⁵ This overlooks the point that on and from that date NHCA had only one employee, namely [name] the Office Manager, whose hours were indeed

40 increased to 30 each week as she started to work Fridays as well as Monday to Thursday. My earlier replies do

²³ Not included in the written evidence.

²⁴ The final version of the schedule is at WE 23.

²⁵ Not included in the written evidence.

make it clear that when the Agent left on 30th November 2008 he was not replaced. [The office manager] retired in the normal way on 31 December 2009 and her replacement started formally on 1 January 2010 but did come to NHCA office for a few days in November and December 2009 to take over from [the office manager]. Thus in 2009–10 in terms of a proportion of NHCA employees (now just [the office manager])
 5 time spent on Mr Wiggin’s parliamentary duties the figure would be 4.2 out of 30 namely 14% as is correctly stated in your schedule 2 v.2.²⁶ I further explained in my letter of 14th June 2011 that we charged 5% of the total Rent and Rates as the space occupied by the Office Manager is approximately a third of the whole which at 14% is approximately 5%.

May I suggest that the second sentence in note 1 of your schedule 1 v.2 is rewritten to reflect the actual position? Perhaps along the lines “*In 2009–10 this becomes just 30 hours reflecting the increase in the Office Manager’s working week effective 1 December 2008, thus the Office Manager’s time spent on Mr Wiggin’s parliamentary duties is 14%. The proportion of rent and rates charged in 2009–10 has been calculated using that 14% but based only on a third of the total rent and rates representing the office space provided for the Office Manager*”. The 67.5 hours shown in red in the column headed 2009–10 should be changed to 30 and the 6%
 10 to 14%.

In your schedule 2 v.2 at note 4 reference is made to 2009–09 (line 2 of that note) I assume that the reference should be to 2008–09.²⁷

I make the above comments in response to your request but stress that these schedules are yours and my comments/suggestions should not be taken to imply that I am in any way responsible for their accuracy.

I attach a revised schedule 3 since that can be seen as a summary of my comments.²⁸ I also point out that the volume of constituency work was roughly unchanged in 2006–07 although a greater proportion of the work was carried out by NHCA staff. This was primarily due to the problems in Mr Wiggin’s Westminster office as explained in the next paragraph.

You ask why the claim for 2006–07 is “*more complete*” than in previous or succeeding years. In my earlier replies I pointed out that the claim for 2004–05 is clearly underestimated while those for 2005–06, 2007–08 and 2008–09 did not include any element of the Agent’s time or of rent and rates. In the case of 2007–08 the Agent could not recall charging rent and rates and in 2008–09 the volunteer Treasurer who was raising the invoice for the first time was unaware of the need to charge an element of rent and rates. However the principal reason for the higher charge in 2006–07 was the problem in Mr Wiggin’s Westminster office caused by the ill health of his only secretary. She was not working at full effectiveness for much of the latter half of 2006 and early 2007 and was absent for several weeks in December 2006 and January 2007. This has been made very clear in my earlier replies and also, I understand, in Mr Wiggin’s responses to your queries. Once Mr Wiggin recognised that he had to have greater support in his Westminster office and appointed a second secretary in May 2007 then NHCA support for his parliamentary duties settled into the pattern which has also
 25 been clearly explained in earlier replies and which is shown in your schedule 2 v.2.²⁹ It is these variations which account for the pattern of claims to which you refer.

I reject the suggestion that NHCA “*needed the money*”. As an organisation entirely funded by members’ subscriptions and donations and by fund raising events NHCA has ensured that its income and expenditure balance over time. There has never been at any time an attempt by NHCA to have Mr Wiggin use his allowances to support the Association’s finances. I have in my earlier replies made that very clear and whatever the complainant may have asserted to the contrary I and my colleagues refute absolutely. Mr Wiggin would never countenance any use of his allowances to support the Association. May I draw your attention once more to the final paragraph of my letter to you dated 14th June 2011?³⁰

²⁶ Not included in the written evidence.

²⁷ Not included in the written evidence.

²⁸ The final version of the schedule is at WE 23.

²⁹ Not included in the written evidence.

³⁰ WE 19

27 June 2011

22. Letter to the former Chairman of the North Herefordshire Conservative Association from the Commissioner, 4 July 2011

5 Thank you very much for your letter of 27 June responding to mine of 16 June with your further help with my inquiry into Mr Wiggin's office costs.

10 I was most grateful for your further assistance. I attach a copy for your own records of the final version of schedules 1a, 1b and 2 which, as you know, I have drawn up on the basis of your evidence.³¹ I have noted that you do not wish to be responsible for their accuracy. I enclose also schedule 3 revised as you suggested.³² I will be sending these schedules with your letter to Mr Wiggin and, in due course, to the House authorities so that they can draw on them as necessary in helping me resolve this complaint. Meanwhile, I do not need to trouble you further other than to ask you to accept my grateful thanks for all the work you have done on helping me with this inquiry.

15 As you know, this correspondence will be published once this inquiry is completed, either on my parliamentary webpages or in any report which the Committee on Standards and Privileges prepare on this matter. I or the Clerk to the Committee will write to let you know in advance of any such publication.

Thank you again for all your help.

4 July 2011

23. Schedule 3: Summary of the evidence of the former Chairman of the North Herefordshire Conservative Association, enclosure to the Commissioner's letter of 4 July

20 1) Until late 2004 NHCA had not charged for work carried out in support of its MP's parliamentary duties. At that time the Executive Council of NHCA instructed its officers to charge as appropriate. The then Agent was instructed to raise invoices in accordance with appropriate procedure. The charge for the twelve months to 31 March 2005 was raised in some haste and it is now clear that it was a significant underestimate.

25 2) In the financial years ending 31 March 2005 and 2006 no charge was made for office overheads, namely rent and rates, nor was any charge made for time spent by the then Agent in support of Mr Wiggin's parliamentary duties. [See note 1] The failure to charge rent and rates was an oversight but the Agent's costs were excluded to avoid possible misinterpretation in charging his costs when a large part of his duties related to campaign work. [See note 2] This exclusion was despite the fact that he was always required to work, on his own, in NHCA offices on Fridays as the Office Manager's working week was from Mondays to Thursdays only. Much of the Agent's campaigning and association work was always done out of normal working hours since that is the nature of the job.

35 3) During the financial year ending 31 March 2007 Mr Wiggin's Westminster office work was severely affected by the ill health of his sole secretary, including absence of several weeks. Consequently, NHCA staff took on significantly more work in providing support for Mr Wiggin's parliamentary duties.

a. The charge for the Office Manager's costs was based on 6 hours a week which represented 23% of her working week making a charge of £2,488.43.

40 b. Given the Agent's constant presence on Fridays and the fact that his campaigning work was primarily outside his contracted hours it was considered perfectly reasonable to charge £1,972.32 for his time. (See also bullet point 2 above)

³¹ Not included in the written evidence.

³² WE 23

c. £479.50 of the NHCA overhead costs, namely rent and rates, out of a total of £2,740 were also charged for this year. This was considered an appropriate share based on staff time spent in support of Mr Wiggin's parliamentary duties as a proportion of total staff hours as well as provision of accommodation for Mr. Wiggin's surgeries during the period. [See note 3]

5 4) In mid 2007 Mr Wiggin strengthened his Westminster Office by appointing a second secretary so that for the financial years ending 31 March 2008, 2009 and 2010 NHCA support from the Office Manager returned to its normal pattern. No charge was made for the Agent's time from April 2007 onwards because his duties in support of Mr Wiggin's parliamentary duties were taken on by volunteers. The Agent left NHCA in November 2008 and was not replaced. Partly as a consequence the then Office Manager's hours were
10 increased to 30 from 1 December 2008 and her salary increased. She retired in December 2009 and her duties were taken on by the new Office Manager with effect from 1 January 2010.

15 5) No separate charge has been made by NHCA for the use of the Leominster Offices for constituency surgeries. Charges passed on for surgeries held elsewhere in the constituency were only to recoup actual hire charges, for example £50 in 2006–07. In most cases no charges are incurred. No accommodation charges were associated with mobile surgeries which involved travelling in a single day to advertised locations, such as village hall car parks, to meet any constituents who wished to attend.

Note 1: As confirmed in the former Chairman's letter of 14 June 2011,³³ there was also no charge made for rent and rates in 2007–08 and 2008–09.

20 Note 2: As stated in the former Chairman's letter of 14 June 2011³⁴ the Agent provided support to campaign activity in the run up to the May 2007 local elections. He did so by working more than his contractual hours and doing most of the work outside normal working hours. However, the Agent was always involved in supporting Mr Wiggin's parliamentary duties.

Note 3: As stated in the former Chairman's letter of 12 April 2011,³⁵ no charge was made for heat, light, stationery, postage and other overhead expenses.

25 *4 July 2011*

24. Letter to Mr Bill Wiggin MP from the Commissioner, 4 July 2011

I am pleased to say, that with the help of your former Association Chairman, I am now able to show you the evidence he has kindly provided in relation to the invoices that the Association prepared on your office costs. I enclose the relevant correspondence.

30 I would be grateful to know whether you wish to make any comments on the substance of the former Chairman's evidence, in particular the summary of his statement at schedule 3.³⁶ While the calculations in schedules 1a, 1b and 2 are mine based on the information provided by the former Chairman, I would be grateful to know whether you consider they are reasonable on the basis of the former Chairman's evidence, or, if not, the reasons why you would wish to have any of them modified.³⁷ It would also be helpful to know if it is
35 correct that, as well as your London secretary's absence from the office of around six weeks due to ill health in 2006–07, the office manager for the Constituency Association worked longer on parliamentary business at other times in that year because of an increase in your caseload. If this is not so, why was it necessary to employ her for extra hours at other times in that year? Any other points you may wish to make arising from the former Chairman's evidence would also be welcome.

³³ WE 19

³⁴ WE 19

³⁵ WE 13

³⁶ WE 23

³⁷ Not included in the written evidence.

Subject to your response to this letter, I would then aim to seek the advice of the House authorities based on the evidence I have received from yourself and the former Chairman. Once I receive their response and any comments you may wish to make on it, I would hope that would bring me to the conclusion of this inquiry.

5 It would be very helpful, therefore, if you could let me have a response to this letter within the next two weeks. I am grateful for your help with this.

4 July 2011

25. Letter to the Commissioner from Mr Bill Wiggin MP, 12 July 2011

Thank you for your letter of 2 July 2011.³⁸

10 In order to be as helpful as possible, I will answer your specific question to the best of my ability, but must draw your attention to my reservations at the bottom of this letter.

The volume of constituency casework has steadily risen in recent years—probably due to advances in electronic communication. This is why I hired a second secretary in May 2007. It also meant that North Herefordshire Conservative Association became increasingly involved with my parliamentary duties prior to that decision.

15 Consequently, when my Westminster secretary became seriously ill, the Association's staff were well positioned to take over her work. I also knew from experience that they would provide this support reliably and efficiently.

However, I do not recall that 2006–07 saw a uniquely high inflow of casework. I hope neither I nor the former Chairman have implied this in the course of our correspondence.

20 Although I would like to provide you with more detail regarding the exact distribution of [the office manager's] extra hours in this year, having not been present at the Leominster office myself, I am simply not qualified to do so.

There is no question about whether the work was done — it certainly was.

25 In relation to Schedules 1a, 1b and 2, I do not believe that this methodology is consistent with reporting the facts as you found them, as my understanding of the rules suggests is required.³⁹

[Material relating to other matters]

As I did not write the invoice, pay the invoice, or receive the money, I think it is very important that the Committee has the clearest picture possible. I do not accept that the tables you have drawn up deliver this.

12 July 2011

30 26. Letter to Mr Bill Wiggin MP from the Commissioner, 19 July 2011

Thank you for your letter of 12 July responding to mine of 4 July about the evidence which the former Chairman of the North Herefordshire Conservative Association gave in assisting me in taking forward this inquiry.

35 I was grateful for your comments on your constituency casework. I have noted too that you have no basis on which to comment on the evidence from the former Chairman about the working patterns of the

³⁸ WE 24 (dated 4 July)

³⁹ Not included in the written evidence.

Association's office manager, although you have challenged, without giving reasons, the methodology used for schedules 1a, 1b and 2.⁴⁰

[Material relating to other matters]

5 I have reflected further on schedules 1a, 1b and 2 in the light of your comments. I have noted too that the former Chairman, on whose evidence those schedules were based, said that his comments/suggestions on my schedules should not be taken to imply that he was in any way "*responsible for their accuracy*". After careful consideration, I have concluded that I can resolve this matter without the schedules which I prepared.

10 On the basis of the evidence that you have given me so far, therefore, and recognising your statement that you are unable to assist on the details of the work pattern of the Association's office manager, I have decided that, while schedules 1a, 1b and 2, of course, form part of the material prepared in the course of this inquiry, in reaching my conclusions I will rely solely on the evidence provided by the former Chairman and summarised in schedule 3 which I sent you, together with the further information in his letters and the evidence which you have provided me.⁴¹

In particular, that further information includes that:

- 15 1. the "*normal pattern*" of the office manager's work referred to in section 4 of schedule 3 was four to five hours a week [as stated in the former Chairman's letter of 17 March 2011];
- 20 2. the "*appropriate share*" of the Association's overall rent and rates costs charged to you and referred to in paragraph 3(c) of schedule 3 was 17.5% in 2006–07 [as stated in the former Chairman's letter of 17 March]. The costs charged were based only on the cost of rent and rates and take no account of the cost of utilities and stationery (footnote 3 to schedule 3) or of the cost of surgery accommodation (paragraph 3(c) of schedule 3);
- 25 3. in 2006–07, the agent spent 8% of his time supporting parliamentary duties (three hours of a 37.5-hour week as stated in the former Chairman's letter of 17 March). The office manager spent 23% of her time supporting parliamentary duties (six hours of her 26-hour week as stated in the former Chairman's letter of 17 March). Taken together, this represented 14% of total staff hours (nine out of 63.5 hours).

30 I believe, therefore, that I have sufficient factual evidence based on what you have told me and what the former Chairman has told me to move this inquiry to a conclusion without unnecessary delay. My next step, therefore, is to seek the advice of the House authorities on the basis of the material provided for my inquiry which I shall now do. I will not include schedules 1a, 1b and 2 in the material I send to the Department. Once I have heard back from the Department, I will show you their response and hope at that stage to let you know how I propose to bring this matter to a conclusion. I hope a resolution of this matter can therefore be reached before very much longer.

[Material relating to other matters]

35 19 July 2011

27. Letter to the Director-General of Human Resources and Change from the Commissioner, 20 July 2011

40 I would welcome your help on a complaint I have received against Mr Bill Wiggin MP in respect of claims he made against his Incidental Expenses Provision in 2006–07 for services in his constituency provided by the North Herefordshire Conservative Association.

⁴⁰ Not included in the written evidence.

⁴¹ For Schedule 3 see WE 23

In essence, the complaint is that Mr Wiggin claimed for costs which were not wholly, exclusively and necessarily incurred on his parliamentary duties and that those claims met the costs of party political activities, contrary to the rules of the House.

5 I enclose the relevant correspondence. Following representations from Mr Wiggin, I have not included schedules 1a, 1b and 2 to the letters of 4 July 2011 which I sent to Mr Wiggin and the former Chairman of the Association.⁴²

I would welcome your comments and advice on this matter. In particular, it would be helpful to know:

- 10 1. whether the Department has any information or comments to make on the way in which the constituency association calculated the costs arising from the support they gave to Mr Wiggin in the performance of his constituency duties in 2006–07 and on the reasons which the former Chairman gives for the differences in the claims made in each other year from 2004–05 to 2009–10;
- 15 2. in the circumstances of Mr Wiggin’s arrangements, whether the Department would have expected him to have any form of agreement with the Association—whether for accommodation or for services, or both (taking account of Mr Wiggin’s evidence that he remembers without being able to confirm an agreement, but that he had no separate agreement for accommodation as he did not have a staff member in the Association’s office). If so: whether the Department could confirm that it has no copy or record of any such agreement; whether the Department would expect to have retained a copy or record of any such an agreement if it had been sent to them at any time from 2004–05; and whether the Department considers that Mr Wiggin was in breach of the Green Book rules in not having lodged an agreement or agreements with them;
- 20 3. whether the Department would have expected a more accurate or detailed account of the nature of the claims on the 2006–07 invoice prepared by the constituency association and submitted by Mr Wiggin and, if so, whether the Department considers there was any breach of the Green Book rules in the way the services were described and if so, which;
- 25 4. whether the Department has any other information available to it which in any way would be relevant to the resolution of this complaint.

Any other points you may wish to make to help me with this inquiry would of course be very welcome.

I would be most grateful if you could let me have a response to this letter within the next two weeks. I am most grateful for your help.

30 20 July 2011

28. Letter to the Commissioner of 11 August 2011 from Mr Bill Wiggin MP

Thank you for your letter dated 19 July 2011. I would like to make the following comments:

- 35 1) I would like to correct your suggestion that I claimed, in my last letter of 12 July 2011, to have “no basis” on which to comment on the former Chairman’s evidence regarding the broader working patterns of North Herefordshire Conservative Association’s Office Manager.⁴³

Rather, I explained that I was not qualified to provide you with more information specifically on the exact distribution of her extra hours.

⁴² Not included in the written evidence.

⁴³ WE 25

The Green Book of July 2007 offers no guidance on the standard of proof necessary when deciding if the sum charged to a Member for commissioned work is an accurate reflection of the costs arising wholly, exclusively and necessarily from the performance of his or her parliamentary duties.

5 However, I have always monitored carefully the actual quantity and quality of work produced by NHCA in support of my role as a constituency MP. Given that a constant physical presence at the office was—and remains—impossible, I can think of no better evidence than this.

- 2) I also note with concern that, in your discussion of “*fixed overheads*” or “*office costs*” under Item 2, a connection with surgery accommodation is explicitly ruled out. I am surprised by this error.

10 In his letter of 17 March 2011 the former Chairman explained that NHCA does not charge a “*hire or hourly*” rate for the use of its office in Leominster.⁴⁴ Instead, in 2006–07 the Association allocated a reasonable proportion of the office's fixed overheads. The former Chairman is quite clear—in both his letter of 12 April 2011⁴⁵ and schedule of 27 June 2011⁴⁶—that this charge included an element relating to my own occasional direct presence.

The exclusive focus on the staffing element in the intervening period is your own.

- 15 3) I rejected your tables because I felt this methodology was more consistent with satisfying a predetermined agenda than realizing the role of the Commissioner as an impartial investigator.

There is no place for extrapolation when presenting “*the facts*”. Furthermore, it is not just content which conveys meaning—format has a part to play as well.

20 I was therefore concerned not only about the way in which the available evidence had been used to construct an effectively artificial set of statistics, but also its subsequent arrangement in a context unavailable to either myself or those issuing the original invoices at the time.

Furthermore, the whole process required many—arguably too many—highly tenuous suppositions. These were detailed in your footnotes.

25 In conclusion, I accept that the invoice for 2006–07 was badly written. However, it is worth emphasising that the deadline for submitting claims was approaching. Rewriting the invoice myself, or failing to reimburse NHCA, would have been unacceptable. I did subsequently ask for better wording.

There remains no question about whether the work was done—it was.

30 2006–07 was an exceptional year because of the serious illness, and then prolonged absence, of my Westminster Secretary. She was the most senior member of my staff and one of only two I employed at the time.

Although I was eventually able to obtain some very limited cover at Westminster, NHCA effectively stepped in to fill the gap left by her absence for at least a month.

Your attempt to retrospectively construct a spreadsheet of costs over the years is misleading for reasons that I have explained.

35 Throughout this inquiry I have answered all of your questions to the best of my ability.

[Material relating to other matters]

It appears that there is no independent appeals process within the system and no means by which to reliably correct errors of fact.

⁴⁴ WE 4

⁴⁵ WE 13

⁴⁶ Not included in the written evidence.

I find this particularly problematic because throughout this investigation you have shown a persistent tendency to slightly—yet significantly—misreport the information which both myself and the former Chairman have provided you with. Enclosed is a list detailing some of these.⁴⁷

[Material relating to other matters]

5 Item 5 of Parliamentary Standards Procedural Note 6 states that:

“A complaint of misconduct against any person is...a serious matter. It is particularly so perhaps for those in public life, such as Members of Parliament, whose reputation is critical to their continued ability to operate effectively in that sphere. Furthermore, the mere existence of a complaint — justified or unjustified — can also damage the standing of the institution of which the person concerned is part.”

10 That so many mistakes have been made in an investigation of this consequence is disappointing.

11 August 2011

29. Enclosure to Mr Bill Wiggin MP’s letter to the Commissioner of 11 August 2011

Enclosure

15 The following is not intended as an exhaustive list of all apparent misreporting and inaccuracies by the Parliamentary Commissioner for Standards in his investigation beginning 02 March 2011.

1. Source of the additional words, “and associated cleric support” for 2007–08

20 In his letter of 29 March the Commissioner states that, “*the Chairman says the words ‘and associated clerical support’ were added to the invoice of 2007–08 at the request of the Department for Resources (the Parliamentary Fees Office)*”.

In fact, in his letter 17 March the former Chairman had given no indication of where the request originated from. He goes on to explain in his next letter that:

“I did not state that the, ‘the words “and associated clerical support” were added to the invoice for 2007–08 at the request of the Department of Resources...’ nor was this implied.

25 *The former Agent and I recall that Mr Wiggin suggested the additional words.”*

2. The distribution of the office manager’s additional hours in 2006–07

In his letter of 29 March the Commissioner claims that the NHCA Office Manager was paid an extra one to two hours a week “*throughout 2006–07*”.⁴⁸

To this the former Chairman responded on 12 April:

30 *“It is my recollection that the majority of the Association Office Manager’s additional work fell during the period of [Mr Wiggin’s Westminster secretary’s] illness and nowhere in my previous letter to you do I specify that the extra hours were spread evenly over the 12 months from April 2006 to March 2007”.*⁴⁹

35 Yet the Commissioner continues to maintain that the NHCA Office Manager worked a significant number of extra hours on my parliamentary duties outside the period of my Westminster Secretary’s illness in 2006–07, asking again on July 4 “*why was it necessary to employ her for extra hours at other times in that year?*”⁵⁰

⁴⁷ WE 29

⁴⁸ WE 10

⁴⁹ WE 13

Neither I nor the former Chairman have ever suggested this to be the case. Indeed, we have both clearly and consistently maintained that NHCA staff took on extra parliamentary work specifically during the illness of my Westminster Secretary.

5 The Commissioner's continued fixation with the distribution of the Office Manager's extra hours in 2006–07 is therefore very difficult to understand.

3. Bill Wiggin MP as providing only a “*partial*” response

On 18 April the Commissioner states that I provided only a “*partial*” response to his previous letter.⁵¹

10 However, I consider this language to be misleading. On 12 April I sent the Commissioner hard copies of replies from both myself and the NHCA Chairman, which between them answered all of his previous questions as fully and accurately as possible.⁵²

4. The calculation of fixed overheads in 2006–07

In his first letter of 17 March the former Chairman has explained that;

*“The Association does not charge a ‘hire or hourly’ rate for the use of the Association office but allocates a reasonable proportion of fixed overheads of the office namely rent and business rates.”*⁵³

15 He goes on to explain why 17.5% was charged in 2006–07 in his next response:

*“17.5% of rent and business rates were considered an accurate reflection of the actual costs to the NHCA in providing accommodation to Mr Wiggin in relation to his parliamentary duties—both directly, for his surgeries, and indirectly through the work and services provided to Mr Wiggin by two employees whilst they were based at the Association office.”*⁵⁴

20 However, from 18 April onwards the Commissioner ignores the second element and suggests that in 2006–07 the relationship between NHCA staff time spent on my parliamentary duties and the share of fixed overheads charged to myself should have been directly proportional.

The ensuing focus on the staffing element is entirely the Commissioner's own and continues despite an attempt by the former Chairman to clarify the situation in his schedule of 27 June.⁵⁵

25 By apparently disregarding the former Chairman's evidence the Commissioner is able to suggest—first implicitly and then explicitly—that NHCA slightly overcharged for fixed overheads in 2006–07. This is a very serious allegation.

5. Rounding in a manner which exaggerates discrepancies

30 It is also worth noting that the figures in the Commissioner's proposed Schedule 1 were all rounded down.⁵⁶ This alone is not a serious problem. However, these approximate figures were then employed in further calculations, with a distorting effect.

For example, when the correct figure for 9 hours as a percentage of 63.5 hours is used the difference between the proportion of total NHCA staff time spent on my parliamentary duties and the proportion of rent and business rates charged in 2006–07 is roughly £90—not roughly £100, as claimed by the Commissioner.

35 This is arguably not an appropriate context in which to adopt such a casual approach to accuracy.

⁵⁰ WE 24

⁵¹ WE 14

⁵² WE 11 and 13

⁵³ WE 4

⁵⁴ WE 13

⁵⁵ Not included in the written evidence.

⁵⁶ Not included in the written evidence.

6. The existence of an Agreement

In his letter of 17 May 2011 the Commissioner states that:

5 *“In addition, Mr Wiggin said in his letter to me of 22 March that he recalled that there had been an agreement between himself and the Association for accommodation of which neither he nor the House authorities had any record.”*⁵⁷

The Commissioner has received insufficient evidence to assert that neither I nor the House had any record of an Agreement—only that neither I nor the House authorities have any record of an Agreement.

10 Evidence does in fact exist for a valid Agreement having been lodged with the House authorities in the form of an email printed off by [name], of the Finance Department, on 30 May 2006. It was supplied to me last year. On it are written the words:

*“OK to pay when receive claim. Member unable to sign by 31 May 06. Compliant on lease spreadsheet 30/05/06.”*⁵⁸

7. An increase in constituency casework

15 From 17 May onwards, when summarising the former Chairman's evidence, the Commissioner repeatedly states that there was a particularly high quantity of constituency casework in the 2006–07 financial year.

This is not something that either I or the former Chairman had ever mentioned.

8. Costs not included in the charge for fixed overheads

20 From 17 May onwards, when summarising the former Chairman's evidence, the Commissioner repeatedly states that the charge for fixed overheads took no account of *“surgery accommodation, utility costs, stationery or postage”*.

In fact, the former Chairman actually said on 12 April that the charge for fixed overheads took no account of *“heat, light, stationery, postage or other overhead expenses”*.⁵⁹

The Commissioner's list is quite different — and the implications of that difference are dramatic. See also above point 4.

25 9. “Accommodation charges”

From 29 March onwards the Commissioner refers to NHCA's charge for fixed overheads or office costs as *“accommodation costs”*.

This is not the former Chairman's own language. It is also a particularly misleading substitution considering that I have no staff members based in Leominster.

30 10. 2004-05

The former Chairman explained in his letter of 4 June 2011 that 2004-05 was the first year in which NHCA charged for supporting my parliamentary duties.⁶⁰ He added, *“it should not be used as a meaningful starting point when considering later years”*.

35 2004–05 was nevertheless treated in the Commissioner's Schedule 2 as if it were directly comparable to subsequent years.⁶¹

⁵⁷ WE 18

⁵⁸ WE 33

⁵⁹ WE 13

⁶⁰ WE 19: the Chairman's letter of 14 June 2011

30. Letter to Mr Bill Wiggin MP from the Commissioner, 23 August 2011

Thank you for your letter of 11 August responding to mine of 19 July about this complaint.

5 You have made a number of comments about my handling of this inquiry. I would only say at this stage that I have come to no conclusion on the matters which I have been considering. I will do so only once I have concluded my inquiry. I hope still to do that once I have received a response from the House authorities.

10 I have noted your comments on the revised Schedule 3 which the former Chairman sent me on 27 June, which he said could be seen as a summary of his comments, together with the additional points you have made in relation to the footnotes and the points in my letter to you of 19 July. I will certainly take account of these points in preparing any statement of the facts arising from this inquiry. I would, of course, seek to agree this with you when the time comes.

15 In the meantime, you have also helpfully identified in the annex to your letter to the Chairman of the Committee on Standards and Privileges an e-mail from the Department of Finance and Administration printed off on 30 May 2006 as evidence of there having been a valid agreement. I am copying this letter and your letter and its attachments to the Director General of Human Resources and Change so that he can take account of this point in preparing his advice to me.

20 I do appreciate the importance of this inquiry and am grateful in particular, for the help of the former Chairman. Subject to the response from the House authorities, I consider I will shortly have all the evidence necessary to decide how to resolve this complaint. My commitment, with your help, is to conclude this inquiry as soon as I can, not least so that your understandable uncertainty about the outcome can be resolved.

23 August 2011

31. Letter to the Director-General of Human Resources and Change from the Commissioner, 23 August 2011

25 Mr Wiggin has written a further letter to me in response to my letter to him of 19 July. I enclose the relevant correspondence, including the attachment to the letter which Mr Wiggin sent to the Chairman of the Committee on Standards and Privileges.

30 I would be grateful if you could take account of this correspondence, including the reference which Mr Wiggin makes to an e-mail printed off on 30 May 2006 from the Department of Finance and Administration in relation to an agreement between himself and the Constituency Association. A copy of this e-mail and any further documentary or other relevant information you had about it would of course be most helpful.

It would be very helpful if you could let me have a response to my letter of 20 July, taking account of this further material, by 5 September as I would like to bring this matter to a conclusion as soon as I can.

23 August 2011

32. Letter to the Commissioner from the Director-General of Human Resources and Change, 25 August 2011

35 Thank you for your letters of 20 July and 23 August 2011.

40 Before responding to the questions in your letter of 20 July, I should make one general point. The Department always recognised that the working arrangements agreed by Members and their local associations varied considerably. It was for Members to ensure that the bills which they submitted were a true and accurate reflection of the services for which claims under the allowances regime could properly be made.

⁶¹ Not included in the written evidence.

I turn to your **first question**. In his letter of 17 March 2011, the former Chairman of Mr Wiggin's Association gives a detailed summary of how the £5,000 (rounded down from £5,090.25) charged against the 2006–07 IEP⁶² was calculated.⁶³ At face value, none of these calculations seems in itself to be ground for concern: 8 per cent of the overall cost of an agent and 23 per cent of the overall cost of an office manager appear reasonable.

5 Given that these two employees were the only occupants of the office, the 17.5 per cent allocation for office accommodation does not appear unreasonable. As for the minor costs, although the Green Book asked for actual rather than notional costs, the sum of £100 for telephone charges appears to be reasonable. The charge for room hire also seems reasonable.

10 The claim in respect of 2006–07 was greater than the claims made for other years, and for this reason it does give rise to a legitimate query. It is notable that this appears to have been the only year before 2009 when a proportion of office costs was charged, and the only year in which a proportion of the agent's time was charged (this is a matter on which the former Chairman's original view, expressed in his letter to you of 12 April, was subsequently corrected). You have had evidence that the sickness absence of Mr Wiggin's secretary in London required more work to be done by the staff in the constituency, which might explain mainly (if not

15 wholly) the additional work done in the constituency in that year.

The Department was not, in fact, notified of the six-week sickness absence of Mr Wiggin's secretary. However, I have no reason to doubt that this absence took place and that Mr Wiggin would in consequence have needed extra support. During the absence of his London secretary, Mr Wiggin did not claim the additional secretarial support (through the Temporary Secretarial Assistance) to which he would have been entitled. The cost of

20 replacing his London secretary during that period (assuming the same rate of pay, and taking account of National Insurance Contributions) would have been around £4,400. Mr Wiggin engaged a secretary in London for one week in January 2007 at a cost of £522. The net cost of secretarial services not provided in London (the difference between £4,400 and £522) is approximately equivalent to the difference between the amounts paid to his association from the IEP in 2006–07 as compared to 2005–06 or 2007–08. Looked at in

25 this way, the additional sum paid to the Association in respect of that year appears to be a proportionate consequence of the sickness absence of the London secretary.

Thus, for 2006–07, the sums charged and the method of calculation do not appear exceptional.

Looking at the claims for other years in isolation from 2006–07, I have no reason to doubt that they represent charges which could legitimately be claimed. The former Chairman has stated that there was a significant undercharge for the 2004–05 and 2005–06 financial years arising from the exclusion of the agent's staffing costs. I have no reason to doubt that this was not the case.

30

For the years following 2006–07, the annual charges were as follows:

2007–08 £1,984.50

2008–09 £1,871.00

35 2009–10 £2,588.55

These costs reflect a broadly consistent service provided by the Association over this period. In his letter of 27 June, the former Chairman has provided reasons for the changes to the administration that led to some of the inconsistencies in billing and I have nothing to add about this.

I turn now to your **second question**. The 2006 Green Book contained the following:

40 ***“Rules on the arrangements for Members' constituency offices:***

...

The following arrangements require particular care:

⁶² Incidental Expenses Provision

⁶³ WE 4

5.12.5. Contracts for staff, services etc in combination with accommodation

5 You must negotiate a separate contract for accommodation and another one for services (eg: staffing, telephony, use of photocopiers etc). Any agreement for staffing facilities and/or services, and the charges, must be set out in writing separately from any agreement for accommodation. Charges must be for actual, not nominal, services, and the service charges must accurately reflect the levels of service provided. You must lodge a copy of the agreement with the Department and ensure that any subsequent changes are notified in writing immediately to the Department.”

10 Section 5.12 of the 2006 Green Book relates specifically to constituency offices (although it does refer to surgery premises in passing). If we had been aware *ab initio* that the payments related to staff services rather than just *ad hoc* space rental for surgeries, the Department would have expected a contract or agreement to be submitted so that details of services and relevant charges could be known. Between 2004–05 and 2006–07, the invoices submitted by Mr Wiggin indicated that the charges were for room hire, so that applying the detailed rules in Section 5.12 did not appear relevant. Details shown on the invoices would have been sufficient and no contract would need to have been submitted. However, from 2007–08, the invoices showed that more services were being provided and a contract ought then to have been submitted to show how the breakdown of costs had been arrived at.

20 I can confirm the statement in the letter to Mr Wiggin of 16 March 2011 from the Operations Manager in the Department of Resources that no agreement was held on file.⁶⁴ Electronic records for the years up to 2008 show the Department believed that, other than hiring rooms for constituency surgeries, Mr Wiggin made no permanent use of a constituency office. In the notes enclosed with his letter of 11 August, Mr Wiggin suggests that an annotated e-mail, sent by a member of my Department in May 2006, is evidence that an agreement was held by the Department.⁶⁵ While the hand-written note shows that Mr Wiggin’s arrangement was marked as “compliant” on the Lease Spreadsheet, this should not be taken to confirm that the Department held a copy of an agreement. In fact the spreadsheet makes it clear that it was considered compliant because he did *not* have a constituency office and therefore no agreement was required in order for the claim to be paid.⁶⁶ I enclose a copy of the annotated email and the relevant extract from the Lease Spreadsheet.⁶⁷

In my view it was a breach of Green Book rules not to disclose the full nature of the arrangements in the earlier claims, nor to lodge a contract or contracts which would meet the requirements of paragraph 5.12.5.

30 On your **third question**, in retrospect and now knowing the services which were in fact delivered, the Department would have expected a more accurate and detailed account of the nature of the claims for 2006–07. At the time, on the basis of the claim and invoice submitted, the Department was not aware of the services that were being provided to Mr Wiggin by the constituency Association, other than room hire for surgeries. With hindsight, I believe that we ought to have asked Mr Wiggin to provide more information before paying the 2006–07 claim because the figure claimed was significant in outright terms, was much higher than previous years’ figures, and represented a cost of room hire which would have been unlikely to have been incurred in a constituency like Mr Wiggin’s. If we had done this, the Department might have been made aware of the actual services being provided and may therefore have been in a position to advise Mr Wiggin as to what documentation was required to support his claims.

40 In the light of what has now been disclosed, I do not believe that Mr Wiggin can be said to have complied fully with section 5.12 of the Green Book, as he gave only a partial description of what he was claiming for in respect of 2006–07, and did not fulfil the contractual or information requirements set out in paragraph 5.12.5.

You may want to be aware that Mr Wiggin significantly underspent on IEP for the years 2006–07, 2008–09 and 2009–10 (although he was close to his limit for 2007–08).

Year	Spend	Maximum
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⁶⁴ WE 7

⁶⁵ WE 29 and WE 33

⁶⁶ WE 34

⁶⁷ WE 33 and WE 34

	2004–05	£19,072.00	£19,325
	2005–06	£19,519.12	£20,000
	2006–07	£17,972.49	£20,112
	2007–08	£11,666.64	£11,834**
5	2008–09	£15,720.97	£22,193
	2009–10	£9,381.84	£22,393

**Mr Wiggin vired funds from his IEP to his staffing budget. The maximum for the IEP for the 2007-08 financial year was £21,339.

10 As for your **fourth** question, I might usefully add some context. It is important to bear in mind that, over the period from 2004–05 to 2009–10, there was an increasing awareness that claims should be more clearly related to accurate calculations of staff and other costs which should be charged to parliamentary allowances. In 2004–05, a round amount of £500 was charged, though this is in retrospect regarded as a “significant underestimate” (the former Association Chairman's letter to you of 14 June). Over the period under review, the rules became more specific, but Mr Wiggin's claims continued to be made on a basis which, in the light of
15 what we now know, was neither full nor accurate, at least until 2008. That said, if the information now provided had been given at the time, and appropriate contracts entered into and supplied, I believe it likely that the claims could still properly have been paid in full, and would not have been out of line with what was paid to other Members.

Please let me know if I can help further.

25 August 2011

33. Enclosure to the Director-General's letter of 25 August 2011

From: WIGGIN, Bill
Sent: 30 May 2006 10:32
To: [Mr Wiggin's Westminster secretary; name of Department employee]
Subject: BW invoice to be in by end of May



BW invoice.doc
(329 KB)

Please put hard copy in the post to [name of Department employee].
This is so that I do not miss the deadline for the end of May.
Bill Wiggin

OK TO PAY WHEN RECEIVE CLAIM NUMBER UNABLE
TO SIGN BY 31 MAY 06

COMPLIANT ON LEASE SPREADSHEET 30/5/06

34. Enclosure (2) to the Director-General's letter of 25 August 2011

Members list 2005 Parliament

	Forename	Member Surname	Analysis Code	Constituency	Constituency Office Address	Rent Amount on Documentatio	Current Rent Amount	Local Association	Members that comply	Members that need to sending in documentation	New Members with claims outstanding	New Members we have not heard from	NOTES
Mr	Bill	Wiggin	MWIGGBLE	Leominster					1				

KEY:		
New Member - 2005		
OP=Own Property		
Compliance		
Sending in documentation		
No Constituency office		
Deceased		

[N.B. The colour coding indicates that there was no constituency office.]
 P 25/11/11

35. Letter to Mr Bill Wiggin MP from the Commissioner, 31 August 2011

I have now heard back from the House authorities in response to my request for their advice on this complaint.

5 I enclose copies of the relevant correspondence.⁶⁸

As you will see, the Director-General has concluded that, in his view, the charges made by the North Herefordshire Conservative Association and set out in the former Chairman's letter of 17 March 2011 appear reasonable; and that the sums charged and the method of calculation for 2006-07 do not appear to him exceptional. He has, however, concluded that in his view it was a breach of the Green Book rules for you not to disclose the full nature of the arrangements in your claims before 2008 and not to lodge a contract for staffing services in accordance with the requirements of paragraph 5.12.5 of the Green Book rules.

I need now to consider how best to resolve this complaint. If you were to accept the Department's advice as set out in its letter of 25 August, then it would be open to me to decide not to uphold the complaint, but to find that you had breached the rules by failing to meet the information and contractual requirements of paragraph 5.12 of the Green Book in respect of the provision of staffing services by the constituency association. I have no evidence that the breach was intentional, and I would not myself regard it as so serious as to require the matter to go to the Committee on Standards and Privileges. I would therefore be able myself to rectify the matter by writing to the complainant making clear that I did not uphold his complaint, but that you were in breach of the rules in relation to the information and contractual requirements for the provision of services. I would need to record that you had apologised. I would then regard the matter as closed. I would show you the letter in draft so that you could comment if necessary on the factual sections, and a copy of my letter, together with the relevant evidence, would be placed on my parliamentary webpages.

If you were not to accept the Department's conclusions, then I would need to consider the matter afresh in the light of any points you might make to me on the Department's conclusions and of any response I needed to seek from them. I would then at that stage consider whether I needed to prepare a formal memorandum to the Committee on Standards and Privileges.

I would be grateful, therefore, for any comments which you may wish to make on the Department's letter and for your response to the proposal in this letter to bring this matter to a conclusion. If you wish to have a word about any of this, including any procedural points, please do contact me here at the House.

30 It would be most helpful if you could let me have a response to this letter within the next two weeks. I am most grateful for your continued help.

31 August 2011

36. Letter to the Commissioner from Mr Bill Wiggin MP, 7 September 2011

35 Thank you for your letter and the report from the Department.

You ask if I accept the Department's advice. I do. It is true that the invoice provided in May 2007 by NHCA lacked sufficient detail and I accept that a contract for these services should have been formally lodged. I thought I had done this and the fact that the relevant claims were accepted promptly and without qualification by the Department of Finance and Resources naturally served to reinforce this understanding. I apologise for not having a copy of the agreement.

⁶⁸ WE 32, WE 33 and WE 34

I welcome the Director-General's conclusion that the charges made by North Herefordshire Conservative Association (NHCA) in 2006–07, in addition to the method of calculation, were neither unreasonable nor exceptional.

5 I would like to thank the Director General for acknowledging that the 2006-07 claim should have generated a more appropriate response from his Department. Had NHCA and I been made aware that a contract was not on record then we would gladly have provided it.

You also mention that you would need an apology. I fully apologise for any breach of the rules.

I am grateful to you for rightly commenting that the breach was not intentional. I am also grateful that you have decided not to uphold the complaint.

10 [Material relating to other matters]

7 September 2011