

Mrs Janet Anderson MP: Resolution Letter

Letter to Mr Michael Barnbrook from the Commissioner, 11 January 2010

I have now concluded my consideration of the complaint you sent me on 8 July about the petty cash claims which Mrs Janet Anderson MP made against her Incidental Expenses Provision.

The essence of that part of your complaint which I accepted for inquiry is that Mrs Anderson made claims against the Incidental Expenses Provision for petty cash of more than £250 in a month without submitting receipts, contrary to the rules of the House.

I have consulted Mrs Anderson and the House authorities about this matter.

The facts are that in a number of months between April 2004 and February 2008 Mrs Anderson claimed petty cash for her offices both in Westminster and in the constituency and thus exceeded the monthly limit on such claims. The question I have had to resolve is whether Mrs Anderson was in breach of the rules in making these petty cash claims.

The Green Book rules at the time provided that evidence in the form of invoices or receipts was required for all items of expenditure of £250 or more. It was not clear, however, that that requirement applied to petty cash claims. The then Department of Finance and Administration, however, clarified the interpretation of this rule in April 2005 by a revision of the relevant claim form which asked Members making an Incidental Expenses Provision claim to ensure that any claims for petty cash did not exceed £250 a month. In a number of months between May 2005, when she first used the new claim form, and October 2008, Mrs Anderson continued to claim petty cash for her offices both in Westminster and in the constituency. I calculate that Mrs Anderson exceeded her monthly claims limit of £250 on 23 occasions.

Mrs Anderson has readily accepted that she was in breach of the rules of the House from May 2005 in making these additional claims. She and her staff wrongly believed that the petty cash claims limit applied separately to constituency and Westminster offices. It is fair to point out, however, that the House authorities did not question her claims even when the forms clearly showed two claims for £250 in a single month. Mrs Anderson misinterpreted the rules and, because her claims continued to be met, she had no reason to believe that she was mistaken in her interpretation. Mrs Anderson has accepted, however, that the final responsibility lay with her. She has apologised for her error. She has agreed to pay back the sums involved¹. She will ensure that in future she and her staff check the rules more closely and will consult the House authorities in cases of doubt.

Having taken account of all the circumstances in this case as described in this letter, I consider that this an acceptable resolution of this matter and have closed the complaint on that basis. I will report the outcome to the Committee on Standards and Privileges.

I am copying this letter to Mrs Janet Anderson MP.

11 January 2010

¹ £5,700.

Mrs Janet Anderson MP: Written evidence

1. Letter to the Commissioner from Mr Michael Barnbrook, 26 June 2009

I wish to register a formal complaint against Janet Anderson, Member of Parliament for Rossendale and Darwen.

The complaint relates to an article in the Daily Telegraph dated 20th June, 2009, a copy of which I enclose, in which Mrs Anderson admits claiming £6,250 too much petty cash.

Apparently, she has claimed double the £250 a month allowance on twenty five occasions since April, 2004, which is a clear breach of Parliamentary rules.

I am concerned that Mrs Anderson has refused to pay the money back on the basis that it was not her fault, because the fees office had approved the claims.

The rules clearly state that Members of Parliament are responsible for their own actions when submitting claims, so she must accept full responsibility for what has happened.

[material not relevant to the complaint accepted]

I have not submitted any evidence as Mrs Anderson has apparently admitted the claims which are in the public domain.

You are also aware of your powers under Standing Order 149, which gives you authority to demand from any Member of Parliament, documentation that will assist you with your enquiry.

Thank you for your attention to this matter.

26 June 2009

2. Extract from article in the Daily Telegraph, 20 June 2009

A LABOUR MP has admitted claiming pounds 6,250 too much in petty cash through her office expenses.

Janet Anderson, the MP for Rossendale and Darwen, has claimed double the permitted pounds 250 a month on 25 occasions since April 2004, her documents show.

Last night she said she had thought that she was allowed to claim the sum—which she used for tea, coffee and newspapers—for both her Westminster and constituency offices every month.

Despite this being a breach of the Commons rules, the claims were approved. Mrs Anderson said: “I assumed it was all in order. It was for general office running costs—things like buying newspapers for the office, tea and coffee for the staff, and paying the cleaner. Stuff like that.” She said that she did not intend to pay back any of the money. “I think it would be difficult in the circumstances to pay the money back because it was approved by the office,” she said, “but I will be happy to check with the department.”

20 June 2009

3. Letter to the Commissioner from Mr Michael Barnbrook, 8 July 2009

With reference to your letter dated 2nd July² asking me to supply evidence to substantiate my complaint against Janet Anderson MP, that she breached the rules of the House.

The evidence is contained on the Parliament website under ‘allowances by Members’ on the following pages;

² Not included in the evidence.

2004/05

Pages 12, 23, 30.

2005/06

Pages 11, 28S, 37.

2006/07

Pages 1, 14, 18, Y9, 35.

2007/08

Pages 1, 3, 6, 9, 13, 19, 23, 25, 30, 35, 37, 40, 48.

The additional sum of £250 in the entry on page 30 for the year 2004/05 has been deleted but the £250 has still been included in the total amount claimed.

All the entries on the above pages show that Mrs Anderson claimed two sums of £250 petty cash in the same month, one sum for her House of Commons office and the other sum for her constituency office.

This is a clear breach of the rules that limit claims for petty cash to £250 a month.

According to the report in the Daily Telegraph Mrs Anderson is quoted as saying that she did not intend to pay back any of the money because it had been approved by the Commons fees office.

The rules clearly state that Members are responsible for their own actions when submitting claims, so she must accept full responsibility for what has happened and cannot place the blame with the Commons fees office.

...[material not relevant to the complaint accepted]

8 July 2009

4. Letter to Mrs Janet Anderson MP, from the Commissioner, 21 July 2009

I would welcome your help on a complaint I have received from Mr Michael Bambrook in respect of your claims against the Incidental Expenses Provision.

I attach a copy of Mr Bambrook's letter of 8 July, together with his earlier letter of 25 June, the newspaper article referred to in that letter, my reply of 2 July, and copies of website pages to which he refers.

In essence, the complaint is that you made claims against the Incidental Expenses Provision for petty cash of more than £250 in a month, without submitting receipts, contrary to the rules of the House.

I have not accepted Mr Bambrook's complaint about your claims for mileage allowance, as I do not consider that he has provided sufficient evidence to justify me inquiring into that complaint.

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."

The Green Book sets out the rules for claims against the Incidental Expenses Provision. The relevant Green Books would appear to be the editions published in June 2003, April 2005 and July 2006. The relevant provisions appear to be the same in each edition, but for the purposes of this summary I will quote from that of April 2005.

In Mr Speaker Martin's introduction, he wrote as follows:

“Members themselves are responsible for ensuring that their use of allowances is above reproach. They should seek advice in cases of doubt and read the Green Book with care. In cases of doubt or difficulty about any aspect of the allowances or how they can be used, please contact the Department of Finance and Administration. The Members Estimate Committee, which I chair, has recently restated the Department’s authority to interpret and enforce these rules.”

The rules in relation to the Incidental Expenses Provision are set out in Section 5. The scope of the allowance is set out in paragraph 5.1.1 as follows:

“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.”

Allowable expenditure is set out in paragraph 5.3.1 as follows:

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

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

And in paragraph 5.3.2:

“Section 5.13 lists examples of allowable and non-allowable expenditure under these headings. Even if an item is listed in the category allowable expenditure, it is only allowable if the spend is wholly, exclusively and necessarily incurred on Parliamentary duties. For further guidance please contact the help numbers above.”

Paragraph 5.10.1 deals with verifiable expenditure:

“Evidence in the form of invoices or receipts must be produced for all items of expenditure of £250 or more.”

The principles of the rules on the arrangements for Members’ constituency offices are laid out in paragraph 5.12.1 as follows:

“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.”

And in 5.12.2, under the heading ‘Propriety’, the paragraph provides:

“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 C1 Members’ claim form introduced in 2005 provided under ‘claim detail’:

“Please ensure:

...

- *You attach all receipts or invoices for items of £250 and above*
- *Any claims for petty cash do not exceed £250 per month”*

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

1. for the financial year 2004-05 and each year since then, how many times you claimed petty cash sums without receipts either totalling over £250 on one claim, or of £250 on more than one occasion in a month, identifying on each occasion the month in question;
2. how you came to snake petty cash claims up to the maximum allowable twice in the same month on apparently frequent occasions;
3. whether you consulted at any time the Department of Resources about your making of any of these claims.

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

I enclose a note which sets out the procedure I follow. I have written to the complainant to let him know that I have accepted his complaint and am writing to you about it. I would welcome a response within the next three weeks. If there is any problem with this, particularly as we are now in the recess, or you would like to have a word about any other matter relating to the complaint, please contact me at the House.

I look forward to your help with this matter.

21 July 2009

5. Letter to the Commissioner from Mrs Janet Anderson MP, 3 August 2009

Thank you for your letter of 21 July about Mr Barnbrook's complaint in relation to my claims for petty cash.

In answer to your Questions on the second page of your letter:

It is correct that, on some occasions, I claimed a monthly sum of £250 petty cash on both my constituency and House of Commons offices. I have checked my claims since 2004-5 and I attach a list of those claims identifying where I made a claim for petty cash in respect of both constituency and House of Commons.

I did not specifically consult the Department of Resources about this. I acknowledge that I interpreted the rules to apply ‘per office’ and assumed, if I was incorrect in doing so, I would be informed.

At no time did the Department of Resources inform me that these claims were invalid. They were all approved and paid. I therefore assumed they were in order.

I should add that I do, in fact, have two constituency offices: at [...] and [...] (where I have employed two members of staff since 2004) I also maintain a fully staffed office at the House of Commons.

I hope this is helpful. Please let me know if you require any further information.

3 August 2009

6. JANET ANDERSON MP Monthly Petty Cash claims 2004-5/2007-8: Figures from the Member

April 2004

£250 constituency office; £250

May 2004

£250 constituency office; £250 House of Commons Office

June 2004

£250 constituency office; £250 House of Commons Office

July 2004

£250 one claim for petty cash

August 2004

£250 one claim for petty cash

September 2004

£250 constituency office; £250 House of Commons Office

November 2004

£250 one claim for petty cash

December 2004

£224 one claim for petty cash

April 2005

£250 one claim for petty cash

May 2005

£250 constituency office; £250 House of Commons Office

June 2005

£250 one claim for petty cash

July 2005

£200 one claim for petty cash

August 2005

£250 one claim for petty cash

September 2005

£250 one claim for petty cash

October 2005

£250 constituency office; £250 House of Commons Office

November 2005

£250 constituency office; £250 House of Commons Office

December 2005

January 2006

£250 one claim for petty cash

February 2006

£250 one claim for petty cash

April 2006

£250 one claim for petty cash

May 2006

£250 one claim for petty cash

June 2006

£250 one claim for petty cash

July 2006

£250 constituency office; £250 House of Commons office

August 2006

£250 one claim for petty cash

September 2006

£250 constituency office; £250 House of Commons office

October 2006

£250 constituency office; £250 House of Commons office

November 2006

£250 constituency office; £250 House of Commons office

December 2006

£250 one claim for petty cash

January 2007

£250 one claim for petty cash

February 2007

£250 constituency office £250 House of Commons office

April 2007

£250 constituency office; £250 House of Commons office

May 2007

£250 constituency office; £250 House of Commons office

June 2007

£250 constituency office; £250 House of Commons office

July 2007

£250 constituency office; £250 House of Commons office

August 2007

£250 constituency office; £250 House of Commons office

September 2007

£250 constituency office; £250 House of Commons office

October 2007

£250 constituency office; £250 House of Commons office

November 2007

£250 constituency office; £250 House of Commons office

December 2007

£250 constituency office; £250 House of Commons office

January 2008

£250 constituency office; £250 House of Commons office

February 2008

£250 constituency office; £250 House of Commons office.

7. Letter to the Director of Operations, Department of Resources, from the Commissioner, 6 August 2009

I would welcome your help on a complaint I have received against Mrs Janet Anderson MP about her claims for petty cash against the Incidental Expenses Provision.

I attach a copy of the [relevant evidence]

In essence, the complaint is that Mrs Anderson made claims against the Incidental Expenses Provision for petty cash of more £250 in a month, without submitting receipts, contrary to the rules of the House.

I would welcome your comments on Mrs Anderson's response and her list of petty cash claims. As you will see, Mrs Anderson has said that for the period from April 2004 to February 2008, she made petty cash claims for £250 for her constituency office at the same time as she made claims of £250 for her House of Commons office in 23 separate months. While she did not consult the Department of Resources about these claims, she said that she assumed they were admissible as they were all approved and paid.

It would be helpful if you could confirm the accuracy of Mrs Anderson's summary of her petty cash claims. Could you also let me know how these claims were treated in the Department at the time, and your understanding of the rules in respect of such claims?

If you could let me have a response to this by the end of the first week of September would be most grateful. Thank you for your help.

6 August 2009

8. Letter to the Commissioner from the Director of Operations, Department of Resources, 30 September 2009

Thank you for your letter of 6 August 2009 about a complaint against Mrs Janet Anderson's use of petty cash from the Incidental Expenses Provision (IEP). I have now investigated this matter and I am pleased to be able to report my findings.

It is the case that Mrs Anderson claimed petty cash for both her constituency office and her House of Commons office between April 2004 and February 2008. I can also confirm much of the data she has supplied in her letter to you of 3 August 2008. For completeness, I attach a spreadsheet³ prepared here with the relevant details of her claims. There are some minor differences, but these are unlikely to be germane to the substance of the complaint.

Until April 2005 the Green Book was silent on the monthly petty cash claims limit, which was a matter of administrative practice rather than an express rule of the House. Arguably, it can be inferred from the December 2005 version of the Green Book that a £250 limit applied to petty cash. Your letter to Mrs Anderson of 21 July 2009 refers to the relevant paragraph, namely 5.10.1, which says "Evidence in the form of invoices or receipts must be provided for all items of expenditure of £250 or more".

It was not until 2009 that the Green Book expressly allowed for petty cash, which at that point had a £50 monthly limit (paragraph 2.2.4.7 refers). This lower limit was in place from April 2008 and was communicated to Members in a letter of 28 March 2008 from the then Acting Director of Operations (also attached).⁴

Prior to April 2008 there was a clear administrative practice, going back perhaps four years or so, not to allow petty cash claims above £250 per month. This limit matched the amount Members were allowed to claim on other items without supporting receipts. This administrative rule was specified on the April 2005 reprint of the IEP claim form. The form stated that Members should ensure that "any claims for petty cash do not exceed £250 per month". Mrs Anderson first used this new form for her claim for the period 17 May 2005 to 6 June 2005. On that form, and for four subsequent months, a single £250 for petty cash was claimed each time.

Against this background, it is therefore somewhat curious that Mrs Anderson's claims for double amounts of petty cash in the same month were regularly approved. I note that for the years 2004/05 to 2006/07 Mrs Anderson's claims did not amount to very much more than twelve times the £250 monthly limit (i.e. in some months double petty cash claims were made and in other months none). However, in 2007/08 it is apparent that such double claims were submitted and approved as a matter of routine.

I instigated a search of Departmental records and also interviewed a number of staff involved in the allowances at that time to try to ascertain why Mrs Anderson alone was apparently allowed such a dispensation. I have largely drawn a blank in terms of documentation now held on file. A petty cash control spreadsheet for 2007/08 notes

³ WE 9

⁴ WE 10

that Mrs Anderson was 'allowed' to claim £500 but there is no record of why this was so. No file notes or correspondence explain the position satisfactorily.

I note that Mrs Anderson herself says that she relied on the Department to inform her if she was acting outside the rules. The fact that no such advice was forthcoming led her to believe that her practice of claiming £250 for each office (Westminster and the constituency) from time-to-time was acceptable. Nevertheless, the primary responsibility for claiming correctly lies with Members themselves and it is the case that the 2005 reprint of the IEP form was clear as to the rule.

Departmental staff involved in approving claims at the time cannot recollect any specific agreement between the Department and Mrs Anderson on this matter. However, their sense is that it is possible that some informal understanding was reached between Mrs Anderson and senior Departmental management in the early years, which was then communicated to the claims handling staff; and that such an understanding was permitted to continue through into 2008. I note, though, that Mrs Anderson herself does not refer to any such understanding having been entered into and, to the contrary, says that she did not specifically consult the Department on this matter.

Please let me know if you need any further details.

30 September 2009

9. Janet Anderson MP Petty Cash Payments: Figures from Department of Resources

Financial Year	Payment Date	Office	Amount Paid	Total for Year	No of double claims	Comments
2004/05						
	01/04/04 – 02/04/04	Constituency	£250.00			
		HOC	£250.00			Amount crossed out on claim but total not altered. Agresso record no longer available.
	18/04/04 – 06/05/04	Constituency	£250.00			
	10/05/04 – 30/05/04	HOC	£250.00			
	01/06/04 – 22/06/04	HOC	£250.00			
		Constituency	£250.00			
	23/06/04 – 19/07/04	Not indicated	£250.00			
	20/07/04 – 11/08/04	Not indicated	£250.00			
	12/08/04 – 06/09/04	Not indicated	£250.00			
	07/09/04 – 01/10/04	Constituency	£250.00			
		HOC	£250.00			Marked 1 month only
	01/11/04 – 08/11/04	Not indicated	£250.00			
	01/12/04 – 04/01/05	Not indicated	£224.00			

				£3,224.00	3	*See note above re 01/04/04 – 02/04/04 HOC payment as included in claimed total.
2005/2006						
	01/04/05 – 03/04/05	Not indicated	£250.00			
	12/05/05	Constituency	£250.00			
		HOC	£250.00			
	17/05/05 – 06/06/05	Not indicated	£250.00			
	07/06/05 – 24/06/05	Not indicated	£250.00			
	25/06/05 – 19/07/05	Not indicated	£200.00			
	20/07/05 – 14/08/05	Not indicated	£250.00			
	15/08/05 – 12/09/05	Not indicated	£250.00			
	13/09/05 – 10/10/05	Constituency	£250.00			
		HOC	£250.00			
	11/10/05 – 31/10/05	Constituency	£250.00			
	01/11/05 – 02/12/05	Constituency	£250.00			
		HOC	£250.00			
	01/12/05 – 31/12/05	Not indicated	£250.00			
	01/01/06 – 31/01/06	Not indicated	£250.00			
	01/02/06 – 27/02/06	Not indicated	£250.00			
				£3,950.00	3	
2006/2007						
	01/04/06 – 04/04/06	Not indicated	£250.00			
	25/04/06 – 18/05/06	Not indicated	£250.00			
	19/05/06 – 19/06/06	Not indicated	£250.00			
	16/06/06 – 17/07/06	HOC	£250.00			
		Constituency	£250.00			
	19/07/06 – 14/08/06	Not indicated	£250.00			
	15/08/06 – 13/09/06	HOC	£250.00			
		Constituency	£250.00			
	14/09/06 – 13/10/06	Constituency	£250.00			
		HOC	£250.00			

	31/10/06 – 13/11/06	HOC	£250.00			
		Constituency	£250.00			
	14/11/06 – 11/12/06	Not indicated	£250.00			
	12/12/06 – 09/01/07	Not indicated	£250.00			
	29/01/07 – 09/02/07	HOC	£250.00			Total final claim was reduced by £41.50 as only balance of budget could be paid.
				£4,000.00	5	
2007/08						
	01/04/07 – 05/04/07	HOC	£250.00			
		Constituency	£250.00			
	24.04/07 – 03/05/07	Constituency	£250.00			
		HOC	£250.00			
	01/05/07 – 30/05/07	HOC	£250.00			
		Constituency	£250.00			
	31/05/07 – 25/06/07	HOC	£250.00			
		Constituency	£250.00			
	26/06/07 – 25/07/07	HOC	£250.00			
		Constituency	£250.00			
	31/07/07 – 31/08/07	HOC	£250.00			
		Constituency	£250.00			
	01/09/07 – 20/09/07	HOC	£250.00			
		Constituency	£250.00			
	16/10/07 – 24/10/07	HOC	£250.00			
		Constituency	£250.00			
	02/11/07 – 25/11/07	HOC	£250.00			
		Constituency	£250.00			
	01/12/07 – 17/12/07	Constituency	£250.00			
		HOC	£250.00			
	18/12/07 – 21/01/08	Constituency	£250.00			
		HOC	£250.00			
	22/01/08 – 22/02/08	HOC	£250.00			

		Constituency	£250.00			
				£6,0000.00	12	
		Totals		£17,174.00	23	

10. Letter from the Acting Director of Operations to All Members, 28 March 2008

Receipt levels and petty cash

As promised in [the Director's] letter of 13 March 2008, I am writing to you to set out some more detailed rules about the operation of the new limit for receipts of £25.

As you will be aware, the Members Estimate Committee in its First Report of Session 200708 (Review of Members' Allowances: Threshold for receipts, HC 415, 2007-08) instructed the Department of Resources that, with effect from 1 April 2008, no claim against allowances of £25 or more per item will be reimbursed unless it is accompanied by a receipt." The MEC in the same report announced that this change would not apply to claims for food, which is being considered as part of the current review of allowances.

Therefore, with effect from 1 April 2008, the Department will not pay claims for items of £25 or more without submission of the required receipt, except for food to which the current £400 monthly level still applies. If you are unable to submit the receipt, the Department will not be able to re-imburse you.

Please note that the limit applies on an item by item basis; it is not being applied as a monthly limit. Neither is it the size of the claim that is important, but the cost of a particular item. You may therefore submit claims for items under £25 without receipts, or submit single claims with a number of items, provided those items costing £25 or more are supported by a receipt. If you pay for a cleaner or other service that costs £25 or more, you must ensure you either supply an invoice or get a receipt from the individual concerned.

In accordance with this Department's usual practice, you may submit claims for expenditure incurred during the 2007/08 financial year until the end of May 2008. However, any claims submitted after 1 April 2008 must include receipts for items of £25 or more in accordance with the MEC ruling.

I would be grateful if you would submit claims in a regular and timely fashion, using the forms provided. These will be updated to take into account the new receipt level; copies will be available on the Intranet. I also encourage you to submit the majority of your claims on a monthly basis to assist the Department's staff in processing your claims.

The MEC also announced in their report that your limit on petty cash will be reduced to £50 per month. In accordance with the MEC's ruling, you must keep a petty cash book recording what items petty cash is spent on, which may be subject to audit. Claims for office items costing more £25 or more will need to be accompanied by a receipt.

There are two exceptions to these rules. If you claim for taxi fares, you must submit receipts for the full journey, regardless of the cost, and you must also submit full details of the journey you have made. Also, if you pay expenses to non-salaried staff, these must be paid on an actuals basis and therefore all receipts, regardless of the amount, must be submitted to back up your claim.

If you have any questions, please call the Enquiry and Advice Team on ext [...].

28 March 2008

11. Letter to Mrs Janet Anderson MP from the Commissioner, 14 October 2009

I have now heard back from the Department of Resources with their comments on this complaint about your claims for petty cash against the Incidental Expenses Provision.

I attach a copy of my letter of 6 August to the Department of Resources together with a copy of their response of 30 September, with its attachments.

As you will see, there appears to have been an administrative practice going back to around April 2004 not to allow petty cash claims above £250 per month. This administrative rule was set out in the IEP claim forms from April 2005. The Department notes that it could be inferred from the December 2005 edition of the Green Book that the £250 limit referred to there applied to petty cash. The Department accepts that it did approve your claims, including the double claims which you submitted as a matter of routine in 2007-08. There is no record of why this was permitted by the Department and no recollection of any specific agreement between you and the Department. The Department notes, however, that the primary responsibility for claiming correctly lies with Members themselves and that the 2005 reprint of the IEP form was clear as to the rules.

On the basis of this advice, it would appear that from April 2005 Members could claim no more than £250 a month for petty cash. Between May 2005, when you first used the new claim form, and February 2008, you claimed £13,200 in petty cash. These claims covered approximately 9 months in 2005/06, 11 months in 2006/07, and 10 months in 2007/08: a total of 30 months in all. The maximum allowance for this period would have been £7,500 (30 x £250). On this basis, if the Department's advice is accepted, it would appear that you have claimed £5,700 more than was allowed. I attach a brief schedule setting this out for each of the relevant years.⁵

I would welcome your comments on the Department's advice and the conclusions which might be drawn from it. Once I have your comments, I will consider further how best to resolve this matter. At present, I am minded to prepare a Memorandum to the Committee on Standards and Privileges. If I were to do so, I would show you the factual sections of my Memorandum so that you can comment on their accuracy. I would then add my conclusions and submit the full Memorandum to the Committee. The Committee's Clerk would send you a copy of the full Memorandum so that you could comment on it and those comments would be submitted with the Memorandum to the Committee for its consideration. It would be most helpful if you could let me have your response within the next two weeks.

I look forward to hearing from you.

14 October 2009

12. Mrs Janet Anderson MP: Schedule of excess claims for petty cash between 17 May 2005 and 31 March 2008

2005-06

Period covered by claims (after introduction of new form): 17 May 2005 to 27 February 2006 (approx 9 months)

Maximum petty cash allowable: £2250

Petty cash actually claimed: £3200

Petty cash over-claimed: £950

2006-07

Period covered by claims: 1 April 2006 to 9 February 2007 (approx 10 months) Maximum petty cash allowable: £2500

Petty cash actually claimed: £4000

⁵ WE 12

Petty cash over-claimed:£1500

2007-08

Period covered by claims: 1 April 2007 to 22 February 2008, (approximately 11 months)

Maximum petty cash allowable: £2750

Petty cash actually claimed: £6000

Petty cash over-claimed: £3250

Total of excess petty cash claims: £5700

Office of the Parliamentary Commissioner for Standards

14 October 2009

13. Letter to the Commissioner from Mrs Janet Anderson, 12 November 2009

Thank you very much for your letter of 14 October. My sincere apologies for the delay in replying. I note your letter to the Department of Resources and copy of their response dated 30 September.

The whole thing is rather confusing. I can confirm that there was no 'understanding' between myself and the Department. As I stated earlier, I had merely assumed, since the claims were approved and paid, that they were in order.

Nevertheless, I accept that the ultimate responsibility lies with me, and if you and the Committee conclude that I should repay some of that claimed, I am happy to discuss an arrangement for me to do that.

12 November 2009

14. Letter to Mrs Janet Anderson MP from the Commissioner, 20 November 2009

Thank you for your letter of 12 November responding to mine of 14 October about the advice I received from the Department of Resources of 30 September.

I have noted your statement that you had assumed that since the claims were approved and paid they were in order. You will know from the Department's letter to me of 30 September that the IEP claim form introduced in April 2005 stated that you are asked to ensure that "any claims for petty cash do not exceed £250 per month." The Department's evidence is that you first used this new form for your claim for the period from 17 May 2005 to 6 June 2005; and that on the form you submitted for each of the four subsequent months, you made a single petty cash claim for no more than £250. After that you made claims for more than one office for a significant number of months until February 2008.

In order to help me conclude my enquiries, it would be very helpful if you could let me know:

1. whether you noticed the requirement about petty cash limits on the IEP claim forms you signed, and if so, how you interpreted it;
2. why you made only single claims for the five months starting May 2005, given that you continued to have offices in both London and the constituency and that it appears to have been your frequent practice to claim for more than one office each month.

I would now like to bring this inquiry to a conclusion, so I would be very grateful if you could let me have a response to these points within the next week. If there is any difficulty about this, do get in touch with me at the House.

Thank you for your help.

20 November 2009

15. Letter to the Commissioner from Mrs Janet Anderson MP, 26 November 2009

Thank you very much for your letter of 20 November and also for giving up your time to meet me the other day.

The answers to your questions are as follows:-

3. I am pretty sure I must have noticed the requirement about petty cash limits on the IEP claim form when I was completing the form. I think it is more of a question of how I interpreted it since I run more than one office.
4. Petty cash, by its very nature, will vary from time to time. I cannot now recollect why we required less in one month and more in others, except to say that I share some of the running costs for the constituency office with my constituency party, and that sometimes we decide they should contribute more than at other times.

I hope this is helpful, but if you require any further information, please do not hesitate to let me know.

26 November 2009

16. Letter to Mrs Janet Anderson from the Commissioner, 10 December 2009

I have now heard back from the Department of Resources on the final matter in respect of this complaint about your petty cash claims, on which I wrote to you on 1 December.

I attach a copy of my letter of 25 November to the Director of Operations at the Department of Resources, and a copy of his response of 4 December.

I need now to consider how best to resolve this matter. When I wrote to you on 14 October, I said that I was minded to prepare a memorandum to the Committee on Standards and Privileges and I noted in my letter of 1 December that I was preparing the draft sections of the memorandum which I would show to you.

I have now reviewed all the evidence you have provided and weighed in particular your letter of 26 November in the light of your initial letter of 3 August and of the Department's advice of 30 September.

In the light of this, I am writing to let you know that I think it would be an acceptable resolution of this matter, if you agreed, for me to use the rectification procedure provided under the Standing Orders of the House. Under this procedure, I am able to conclude work on a complaint by agreeing the rectification action with the Member and writing to the complainant with my conclusions and closing the complaint. I do not in those circumstances submit a memorandum to the Committee on Standards and Privileges. I inform the Committee briefly of the outcome of the complaint after I have resolved it.

As I understand them, the facts are that in a number of months between April 2004 and February 2008 you claimed petty cash for your offices both in Westminster and in the constituency. The question I need to resolve is whether you were in breach of the rules in making any of these petty cash claims.

The basis on which I am minded to consider rectification is that, while the Green Book rules were unclear on whether the requirement for invoices or receipts to be produced for all items of expenditure of £250 or more applied to petty cash claims, the position was clarified in April 2005, when the revised claim form asked Members to ensure that any claims for petty cash did not exceed £250 a month. In order to use the rectification procedure, it would be necessary for you to accept, as you have done, that in a number of months between May 2005, when you first used the new claim form, and October 2008, you continued to claim petty cash for your offices both in

Westminster and in the constituency, and that you exceeded the monthly claims limit on 23 occasions. You would need to accept that you were, accordingly, in breach of the rules from May 2005 in making these additional claims.

As I understand it, the reason was that you and your staff wrongly believed that the petty cash limit applied separately to your parliamentary offices. You would need to agree to pay back the total sum involved—£5,700. It would be helpful if you would undertake to ensure that in future you and your staff check the rules more closely and consult the House authorities in cases of doubt. The Committee would also expect the Member to have apologised for the breach.

I would wish to point out in determining this complaint that the Department of Finance and Administration did not question your claims even when the forms clearly showed two claims for £250 in a single month. You had made a single misinterpretation of the rules and, because your claims continued to be met, had no reason to believe that you were mistaken in your interpretation.

I would be grateful to know, therefore, whether you would wish me to consider rectifying this complaint on the basis of what I have said in the previous paragraphs. If so, I would be very grateful if you could write to me as soon as possible, and ideally within the next week, confirming that you would like me to rectify this complaint, that you will repay £5,700 to the House authorities. It would also be helpful if I could have an apology which I could report to the Committee. I would then send you a draft of the letter which I would propose to send to the complainant, so that you can comment on its factual accuracy. Once I receive your response to that, I would write to the complainant and close the complaint on that basis. I would hope that it might still be possible to resolve this before Christmas.

I look forward to hearing from you.

10 December 2009

17. Letter to the Commissioner from Mrs Janet Anderson MP, 17 December 2009

Thank you very much for your letter of 10 December informing me that you believe it would be an acceptable resolution of this matter for you to use the rectification procedure provided under the Standing Orders of the House.

You point out in your letter that the Department of Finance and Administration did not question my claims even when the forms clearly showed two claims for £250 in a single month and that, because my claims were met, following a misinterpretation of the rules, I had no reason to believe that I was mistaken in my interpretation.

However, I accept that the final responsibility lay with me and should like to apologise for the fact that my misinterpretation of the rules resulted in an overpayment of £5,700. I confirm, therefore, my acceptance of your proposal that this matter be resolved by the rectification procedure.

I hope this letter meets the requirements of that procedure but, if you need any further information, please do not hesitate to let me know.

Thank you for your assistance with this matter.

17 December 2009