

Statement on aspects of Peter Luff's travel and office expenses

I had not anticipated the way in which the costs associated with maintaining my second home in connection with my Parliamentary duties would be interpreted, as a result of which I was criticised. I have sought, therefore, to examine my other two other main areas of expense claim - travel and office costs - and to address any likely questions that may be asked in advance. Publication of the detailed claims is due shortly.

Neither of these two areas of expense – travel and office costs – can reasonably be construed as conferring personal benefit on me and are all incurred in pursuance of my duties in Parliament and in my constituency.

1. TRAVEL COSTS

As my constituents would expect, I seek accurately to identify every mile I drive on Parliamentary business in each month and claim for the exact number of miles. I hope these claims speak for themselves.

2. OFFICE COSTS

As a select committee chairman, my office is considerably busier than that of most other backbench MPs. My office staff, therefore, all bear a significant additional burden as a result of my chairmanship but I receive no additional resources to service my committee work. This work is particularly extensive because of the wide ranging nature of interests covered by the Department for Business, Enterprise and Regulatory Reform.

Maintaining this activity and keeping in touch with constituents does involve some additional expenditure, particularly on information technology to produce letters and to maintain contact while I am on the move. I claim this expenditure from the office costs allowance, formally known as the Incidental Expenses Provision and now known as Administrative and Office Expenditure.

Also, and like most MPs I maintain two offices – one in the House of Commons and one in Worcestershire. The day-to-day costs of running both offices come from this budget. The Commons office is maintained by the Commons authorities but all the costs of maintaining the second, Worcestershire office have to be paid for from my office costs allowance.

While the overall level of my claims on office costs appears to be in line with those of other MPs, I have had some specific costs within this total which I would like to explain.

2.1 PUBLICATIONS

Before the introduction of the Communications Allowance, now renamed Communications Expenditure, I paid for the maintenance of my website and for the publication and distribution of my Annual report from my office costs budget. In

2006/7 it cost £2,781 to design and print and £2,605 to distribute my report – a total of £5,386.

2.2 RESEARCH

I have allocated to this budget rather than the staff budget the costs of the additional research for debates and to investigate detailed policy issues raised with me by constituents provided by the Parliamentary Resources Unit (£3,877.50 in 07/08).

2.3 LAPTOPS, PC AND PRINTERS

In November 2004 I purchased an additional PC for use in my constituency office which I disposed of at the end of last year after four years of intensive use.

I have purchased two additional high volume laser jet printers (costing approximately £1,500 each) in the period to enable me to deal effectively the high volume of letters that my office generates and because, sadly, the printers provided by the Commons have proved inadequate.

I have also purchased, over the four year period covered by the expenses about to be published, three laptops. One I initially used personally which I subsequently made available to my research assistant to enable him to work outside normal office hours. Another I purchased for my own use and now take away with me on all travel with my select committee and any other Parliamentary duties away from London. A third is based at my London flat to enable both me and my wife (who is my secretary) to deal with parliamentary e-mails whenever necessary.

2.4 REFRESHMENTS

I regularly hold meetings with visitors in my office and have provided them with limited refreshments - tea, coffee, biscuits, water and Diet Coke. The sums involved – I estimate roughly around £30 a month - are modest and, I believe, appropriate when senior business people are visiting me in the Commons.

2.5 TAX ADVICE

MPs have additional tax forms to complete above and beyond the standard return, to deal with the specific complexities of our tax affairs. They are also dealt with by a special unit within HMRC. Since my election in 1992 I have found it necessary to use specialist help for this work and have, since discovering such claims were permissible, for the last four years or so charged the additional sums to this allowance. The previous edition of the guidance on expenses to MPs (The Green Book) specifically identified this cost as a legitimate claim. However, I note the criticism recently of MPs who charge the cost of accountancy assistance to their office costs and, in view of the controversy, I am seeking guidance from the Fees Office before making any further such claims. I have at no stage claimed any public money in relation to my normal, personal tax return.

2.6 CONSTITUENCY OFFICE

My work means I need two offices – one in London, where one full-time and one part-time staff member are located, and a second office in Worcestershire, now used on Fridays and in recesses where both I and my wife work, and where Julia used to work full time for over fourteen years,. This is located in my home.

This second office incurs some additional equipment expenditure, for example on basic office equipment, telephones, a fax machine and photocopier and on utilities.

In 1992 we purchased our family home knowing we would run the constituency office from that home. We were delighted to find a home with two rooms in a separate annex already being used as offices and with all the trunking for the necessary telephone lines and power for the equipment we would need to serve my constituents.

The purchase of a home with offices attached meant, of course, that we have, since 1992, had a larger mortgage and, probably, council tax bill than would otherwise have been the case.

However, over the last seventeen years the wisdom of that decision has been proved time and time again. It has enabled my wife (and the part-time secretary we normally employed in Worcester from 1992 to 2006 but which we now employ in London) to work in an efficient environment. From a practical perspective, it makes sure that both she and I can serve my constituents seven days a week, frequently using the office facilities at home to deal with correspondence, emails and telephone calls seven days a week and well out of normal office hours.

My constituents both gained a better service, but they also saved considerable sums of money.

Because, quite rightly, MPs are unable to claim any rent or council tax on offices like ours run from homes, I have been providing a local service at little cost to the taxpayer. In fact I am advised that to rent similar, relatively modest offices in Worcester today would cost around £5,000 a year with roughly half as much again for National Non Domestic Rates and further sums for redecoration, maintenance and/or service charges. Even with a very low total estimate of the annual cost of £6,000, this means that over 17 years my decision to run the office from home has effectively saved the taxpayer at least £100,000.

However, there are unavoidable costs associated with maintaining an office, particularly redecoration and maintenance of the fabric of the building and I have claimed such costs from the allowances.

At no stage have I claimed any money for anything that could be construed to be an improvement.

Indeed the two most significant changes made to the annex containing my offices were paid for entirely out of my taxed income. Both the demolition of a small extension which was obscuring light to one office and causing damp problems in the office, and the reconfiguration of drainage arrangements on the roof of the adjoining garage, again in part to prevent damp problems in the offices, costing in total around £20,000 were paid for entirely by me.

Other small maintenance tasks – such as improved lighting, some redecoration and dealing with damp problems in the guttering - were performed by me or family members at no cost to public funds. The furniture in one of the offices has been provided by me at no cost to public funds, with the sole exception of the curtains and one rug which I have previously explained and do so again below.

Over the seventeen years there have been two internal redecoration for which I have claimed and one external redecoration. In 2006 it also became necessary to undertake limited maintenance to the fabric of the annex containing the offices. I sought the specific approval of the Fees Office for this maintenance since I was anxious to secure their specific authority for this work, which amounted in total to £1,581,

In 2007 the most recent redecoration took place, including the external redecoration of the passage leading from the main door of our home to the office at a cost of £2,626.

Perhaps sadly in retrospect, the Fees Office decided to pay all the bills for which I had claimed without any investigation despite my specific offer of clarification before they approved the bills.

I felt at the time of making the applications for both maintenance and redecoration, that,

- having saved the taxpayer £100,000 directly in rent, rates etc.,
- having made no claim for £20,000 of work that was actually maintenance but could have been represented as improvement,
- having provided all the furniture in one office personally and
- having undertaken much maintenance work personally or with family members,

...that the claims I made struck a cautious and appropriate balance between the interests of the taxpayer and the legitimate maintenance of the offices from which my constituents have been served so diligently for 17 years. I still believe that to be the case.

One unusual item in October 2007 recently was the purchase of a large rug to replace a damaged carpet. I sought and received specific authority for this purchase from the Fees Office in advance before purchasing the rug. The old carpet was both life-expired and water damaged from a leaking radiator that it has proved impossible fully to repair.

Rather than put down another carpet, we opted for a rug that stops short of the skirting board and therefore the leak. This purchase should save the taxpayer money as it will not suffer water damage and should not need to be replaced for many years.

Stripped of their context it is just possible to present these claims in an unfavourable light. However, in the correct context I believe that these claims are eminently reasonable and I would be both disappointed and surprised if anyone sought to represent them in a way designed further to damage my good name.

I believe I am right to be confident of my record in Parliament on behalf of my constituents, as the current extract from the “They Work For You” website below demonstrates. All my office expenditure supports that work and my committee work.

ENDS

Peter Luff’s Parliamentary record according to the They Work For You website, May 2009

- Has spoken in 41 debates in the last year — well above average amongst MPs.
- Has received answers to 45 written questions in the last year — above average amongst MPs.
- Is a member of 3 select committees (1 as chair).
- Replied within 2 or 3 weeks to a very high number of messages sent via WriteToThem.com during 2007, according to constituents.
- Has voted in 67% of votes in parliament with this affiliation — below average amongst MPs. (From Public Whip)

My voting record is below average because my select committee duties regularly take me away from the Commons - in recently, for example, I have made visits to Essex and Devon to examine post offices and to Lancashire and Birmingham to study the automotive sector. I also regularly attend meetings with business people in London and elsewhere away from the Commons. These other duties away from the Commons and the constituency create the need for additional IT support.