

House of Commons

Committee on  
Standards and Privileges

**COMPLAINTS AGAINST  
MR MICHAEL TREND**

Third Report of Session 2002–03



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*Report, Appendix and  
Minutes of Evidence, together with  
Proceedings of the Committee*

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*Ordered by The House of Commons to be printed 12th February 2003*

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HC 435  
Published on 13th February 2003 by authority of the House of Commons  
*London* : The Stationery Office Limited  
£7.50

## THE COMMITTEE ON STANDARDS AND PRIVILEGES

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

### Current Membership

Rt Hon Sir George Young Bt MP (*Conservative, North West Hampshire*) (Chairman)  
 Mr Russell Brown MP (*Labour, Dumfries*)  
 Ross Cranston QC MP (*Labour, Dudley North*)  
 Mr Andrew Dismore MP (*Labour, Hendon*)  
 Mr Michael Jabez Foster DL MP (*Labour, Hastings and Rye*)  
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 Mr Kevin McNamara MP (*Labour, Hull North*)  
 Richard Ottaway MP (*Conservative, Croydon South*)  
 Rt Hon Alan Williams MP (*Labour, Swansea West*)

The following were also members of the Committee during the Parliament:

Tony Baldry MP (*Conservative, Banbury*) (discharged 5 November 2001)  
 Mr David Chidgey MP (*Liberal Democrat, Eastleigh*) (discharged 5 November 2001)  
 Peter Bottomley MP (*Conservative, Worthing West*) (discharged 4 March 2002)

### Powers

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

### Publications

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

### Contacts

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# THIRD REPORT

**The Committee on Standards and Privileges has agreed to the following Report:**

## **COMPLAINTS AGAINST MR MICHAEL TREND**

1. We have considered a memorandum by the Parliamentary Commissioner for Standards relating to the complaints by Mr Kevin Cochrane and others against Mr Michael Trend, Member for Windsor. The Commissioner's memorandum is appended to this Report. We have also taken evidence from Mr Trend and this evidence is published with the report.

2. When we took evidence from Mr Trend, two of our members, Mr Russell Brown and Mr David Heath, were attending other Committees to which they had been nominated by the Committee of Selection. They have accordingly decided to play no part in our formal proceedings on this report.

3. Mr Cochrane's complaint repeated allegations which had appeared in *The Mail on Sunday* on 15 December 2002, that Mr Trend has returned home to his house in Windsor whilst claiming for the cost of an overnight stay in London. The Commissioner found no evidence that Mr Trend had ever made such a claim. Mr Cochrane's complaint is therefore incorrectly based and cannot be upheld.

4. However, following discussions between Mr Trend and the Department of Finance and Administration arising from the *Mail on Sunday* article, it became clear that, for a substantial period, Mr Trend had been claiming Additional Costs Allowance in respect of expenditure incurred in relation to his main home in Windsor. The Commissioner has therefore considered whether the circumstances in which Mr Trend's original claims were made constituted an improper use of the Additional Costs Allowance, and whether this breached the Code of Conduct.

5. The Code of Conduct states that:

"No improper use shall be made of any payment or allowance made to Members for public purposes and the administrative rules which apply to such payments and allowances must be strictly observed."

6. The Additional Costs Allowance was introduced following a Resolution of the House of 20 December 1971, which provides for Members to receive "an allowance in respect of additional expenses necessarily incurred ... in staying overnight away from his only or main residence for the purpose of performing his parliamentary duties". As it applies to Mr Trend, the Resolution provides that "where his only or main residence is in his constituency" the allowance is designed to cover parliamentary duties performed in the London area; or "where his only or main residence is in the London area ... parliamentary duties performed in his constituency".

7. The expression "main residence" was not defined in the 1971 Resolution, nor has any explanation of its intended meaning ever been included in any of the guidance on the scope of the allowance issued to Members by the Department of Finance and Administration and its predecessors. However, in Mr Trend's case it is obvious that his main residence is in Windsor, and has been since 1993.

8. As the Commissioner's report makes clear,<sup>1</sup> what lies at the heart of this case is Mr Trend's belief that he was free to make an election as to which of his homes should be

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<sup>1</sup> Appendix, Para 34.

regarded as his main residence for the purpose of the Additional Costs Allowance. All his subsequent actions stem from this.

9. As the Commissioner points out, neither Mr Trend nor the Department of Finance and Administration has any records which might shed light on the circumstances in which Mr Trend continued to nominate a London address as his main residence after he and his family moved to Windsor. Although the material issued to Members at that time regarding the Additional Costs Allowance is not without ambiguity, we do not believe that, when read with the Resolution itself, as Members were expected to do, there is any real scope for doubt that the words “main residence” were intended to have other than their natural meaning.

10. The Commissioner comments that he finds it “difficult to understand” how Mr Trend felt able to sign a certificate in November 2000 giving the home of his friend in London as his main residence when, on his own admission, he was then staying there infrequently. We agree. It was wrong of him to sign the document when, as he told us, he had the London accommodation rent-free, and at that time made little use of it when the House was not sitting.<sup>2</sup>

11. The Commissioner is satisfied that Mr Trend would not have been required to register the benefit of accommodation which he received from his friend because the circumstances fall outside the scope of the registration requirements.

12. Members must take full responsibility for their claims; indeed the current Green Book says, in respect of claims for the Additional Costs Allowance, that “your signature effectively certifies that the amount claimed has been spent on the additional costs necessarily incurred in staying overnight away from the main home”.

13. Members therefore have an obligation to keep under review whether their arrangements continue to fall within the scope of the Allowance. Mr Trend could, and should, have done more in this respect.

14. We agree with the Commissioner that Mr Trend was not dishonest in his belief that he had the option to choose which of his places of residence to register as his ‘main residence’ for the purpose of the Additional Costs Allowance. We recognise, as did the Commissioner, that since the matter came to light, Mr Trend has co-operated fully with the Department of Finance and Administration and the Commissioner in their respective inquiries, and promptly repaid the sum he was told he owed the Department. However, it is clear to us that his approach to claiming the Additional Costs Allowance was muddled and naive.

15. Mr Trend should have recognised that, by claiming Additional Costs Allowance in relation to his Windsor home, the taxpayer was meeting some of the core running costs of what was in reality his main residence. He should have realised that this was wrong. Accordingly, we agree with the Commissioner that Mr Trend was negligent and has breached the Code of Conduct by making improper use of the Additional Costs Allowance and by failing strictly to observe the administrative rules relating to the Allowance.

16. We have given very careful consideration to what would be an appropriate penalty to recommend to the House. We have taken into account the fact that, in the past, we have recommended substantial periods of suspension, up to one month, in cases of deliberate acts, including failure to cooperate with either the Commissioner or the Committee. As we said earlier, we find that Mr Trend has acted negligently rather than with dishonest intent. We also acknowledge that he has cooperated fully, and immediately repaid the sum

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<sup>2</sup> Minutes of Evidence, Q 29.

requested. The consequences for him of what he concedes was “a mistake, a serious mistake”<sup>3</sup> have already been severe, not least that he has announced that he will not seek re-election. Nonetheless, we must also take into account the impact on public confidence in Members of Parliament, and in Parliament as an institution, of cases of improper use of allowances. It is for this reason that the Code of Conduct requires Members to observe the highest standards in relation to payments or allowances made to them for public purposes. We cannot ignore the fact that the sum involved in this case is very substantial.

17. Having weighed all these considerations, we recommend that Mr Trend is suspended from the service of the House for two weeks.

18. As guardians of the public purse, as well as of parliamentary standards, we are concerned that the system allowed a substantial sum of public money to be incorrectly claimed and that this matter only came to light outside the normal system of scrutiny. We therefore welcome the steps, referred to by the Commissioner, which are being taken to strengthen confidence in the system for claiming Additional Costs Allowance. We recommend that these are completed as quickly as possible and that, when this has been done, the Department of Finance and Administration writes to all Members inviting them to check as soon as possible that their arrangements for claiming Additional Costs Allowance are consistent with the rules. This would usefully complement the increased emphasis which we wish to place on education and prevention.

19. We endorse the proposals put forward by the Commissioner for strengthening the system for ensuring the accuracy of allowance claims by Members. We agree that, whatever the precise solutions adopted, at the end of the day, the House must be able to show that the requirements for auditing which it imposes on itself are no less effective than those it would expect of others responsible for the expenditure of public money.

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<sup>3</sup> Minutes of Evidence, Q 43.

## APPENDIX

### Memorandum submitted by the Parliamentary Commissioner for Standards

#### *Complaints against Mr Michael Trend MP*

#### THE COMPLAINT

1. On 15 December, 2002 the 'Mail on Sunday' published an article claiming that Mr Michael Trend, the Member for Windsor, had improperly submitted claims under the Additional Costs Allowance (ACA) in respect of a London home which he did not in fact occupy. The article alleged that, although Mr Trend was claiming the allowance in respect of additional costs incurred in spending nights in London on parliamentary business away from his Windsor constituency, he was in fact returning to his constituency home each evening rather than remaining in London.

#### An Exchange of Letters

2. The press subsequently reported that, following the appearance of the 'Mail on Sunday' article, Mr Trend had swiftly been in touch with the Director of Operations in the Finance and Administration Department of the House of Commons, Mr Archie Cameron. Their discussions had resulted in an exchange of letters on 19 December between Mr Trend and Mr Cameron. In the letter to Mr Cameron, Mr Trend said:

*"I am now clear that I had a misunderstanding, honestly and genuinely held, about the terms of the ACA. As a result, I made claims on my Windsor residence which I now realise fall outside those terms. I very much regret this happened and I would like to offer my apologies to the House. I, of course, wish to set the matter right at once and I have offered to pay whatever is outstanding which I understand is £90,277. I understand that the House authorities are content for me to do so. I am grateful to you for your help in this matter".*

3. In response, Mr Cameron wrote:

*"Thank you for your letter of 19th December in which you state that you now realise that you made claims on your Windsor residence which were not in accordance with the terms of the ACA and that you are anxious to pay the sum in question. I am grateful to you for bringing this matter, which I now regard as closed, so speedily to a conclusion by making prompt arrangements to repay the sum in full. Once the sum is paid in full your outstanding account will be settled".*

#### Complaints by Members of the Public

4. On the day the original 'Mail on Sunday' article appeared, Mr Kevin Cochrane, a constituent of Mr Trend, e-mailed my office asking that the allegations as detailed in the paper be investigated and for information on the procedure for making a formal complaint. After subsequent telephone and e-mail contact in which he was advised that, in accordance with the procedures laid down by the House, I would need a signed letter of complaint in order to proceed, Mr Cochrane informed my office on 23 December that a letter had been sent. A formal letter signed by Mr Cochrane, dated 16 December, was received in my office on 2 January 2003. A copy of this—and of the 'Mail on Sunday' article of 15 December enclosed with it—is at Annex A.
5. After I received the initial complaint from Mr Cochrane, I received eight others; four apparently came from constituents of Mr Trend and four from others. These contained various combinations of the following elements: concern at the press reports that improper claims had been made by MPs against allowances; questions as to whether (whatever disciplinary decision might be taken by the House) the criminal law should not be invoked if the reports were substantiated; and a more generalised concern as to whether adequate financial controls were exercised by the House authorities over expenses claims made by Members. In addition an e-mail from another member of the public making similar points was sent directly to Mr

Speaker and forwarded to me, and my office received an e-mail to which we responded but which was not followed up by the sender.<sup>4</sup>

## CONTEXT

### The Additional Costs Allowance

6. In order to assess the allegations against Mr Trend it is necessary first to understand the rationale of and conditions attached to the Additional Costs Allowance (ACA), as well as the provisions of the Code of Conduct approved by the House and other relevant matters.

7. The purpose of the ACA was set out in a Resolution of the House in 1971 when the allowance was introduced. The relevant part of the Resolution read:

*“... provision should be made for Members of this House ... to receive an allowance in respect of additional expenses necessarily incurred by any such Member in staying overnight away from his only or main residence for the purpose of performing his parliamentary duties...”*

8. Members with Inner London constituencies cannot claim ACA and automatically receive a London supplement. Members with Outer London constituencies can elect to claim ACA or London Supplement. Members—like Mr Trend—whose constituencies are outside London can claim ACA either in London or the constituency. (Ministers and office holders automatically receive London Supplement (unless they are provided with an official residence) but they may claim ACA for overnight expenses in their constituency.)

9. Members with homes in both the constituency and London are required, in writing, to tell the Finance and Administration Department which home is their main home or residence. The main home does not qualify for ACA. The latest edition of the Green Book (which sets out details of allowances for Members) says: *“... a nomination form (available from the Fees Office) must be completed to register the address of your main home, and whether you will be claiming ACA for London or the constituency. Please let the Fees Office know of any subsequent changes”*.

10. Similar statements have appeared in earlier versions of the Green Book. Mr Trend entered the House on 28 April 1992. The edition of the Book issued to all Members on 12 May of that year said:

*“The Additional Costs Allowance (ACA) reimburses Members for expenses necessarily incurred in staying overnight away from their main residence in either London or the constituency (but not both) for the purpose of performing their Parliamentary duties.”*

*“On entering the House for the first time Members should complete an option form ... which registers with the Fees Office the address of the main home and of their intention to claim ACA in either London or the constituency. This will remain in force unless changed by circumstances (ie becoming or ceasing to be a minister or office holder), or a new form is completed and returned to the Fees Office consequent upon a change in the address of the main residence.”*

11. Additional Costs are those necessarily incurred in staying away from the main home for the purpose of performing parliamentary duties. These include:

- Mortgage interest (but not capital) and the costs involved in purchasing accommodation;
- rental costs;
- hotel costs;
- utilities (heat, light, etc);
- council tax;

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<sup>4</sup> A list of the names of those who complained in addition to Mr Cochrane is at Annex B.

- food;
- non-capital repairs, decorations and furnishings.

The Green Book says that supporting evidence must be provided by the Member for major items of expenditure such as mortgage interest or rent. The amount which may be claimed by a Member under the allowance has increased annually: in 1992–93, the total which could be claimed was £10,786; during the current financial year, claims totalling up to £19,722 may be submitted.

12. Claims for ACA are usually submitted monthly in arrears. The latest edition of the Green Book tells Members: *‘your signature on the claim effectively certifies that the amount claimed has been spent on the additional costs necessarily incurred in staying overnight away from the main home’*.

### **Code of Conduct**

13. The Code of Conduct for Members of the House includes a provision that:

*“No improper use shall be made of any payment or allowance made to Members for public purposes and the administrative rules which apply to such payments and allowances must be strictly observed”*.

The Code also provides that:

*“Members shall at all times conduct themselves in a manner which will tend to maintain and strengthen the public’s trust and confidence in the integrity of Parliament and never undertake any action which would bring the House of Commons, or its Members generally into disrepute”*.

### **The Law on Obtaining by Deception**

14. As Mr Cochrane and a number of other members of the public who wrote to me have pointed out, in addition to being a possible breach of the internal discipline of the House, the misuse of parliamentary allowances may in certain circumstances raise issues in relation to the criminal law. At Annex C is a briefing note prepared by the House’s Legal Service’s Office on the law on obtaining by deception. I return to this question later. I mention the point at this stage simply to mark the potential seriousness of the ‘Mail on Sunday’s’ allegations.

### **A Procedural Point**

15. There is one other preliminary point I should make. As paragraph 84 of the Guide to the Rules for Members makes clear, I would not normally regard a complaint founded upon no more than a newspaper story or television report as a substantiated allegation. I have thought it right to proceed with inquiries in this case for 3 reasons:
  - (a) the exchange of letters between Mr Trend and Mr Cameron indicated that something was amiss, whether as the result of a misunderstanding or otherwise;
  - (b) in the circumstances of this case, it would be difficult, to say the least, for either a Member of the House or a member of the public to provide evidence additional to that published by the ‘Mail on Sunday’. At the heart of the allegations are interactions between Mr Trend and that part of the Finance and Administration Department which administers Members’ allowances (popularly known as the Fees Office), interactions which in normal circumstances properly remain confidential;
  - (c) the allegations are serious. It is in the interests of all concerned—including the House and the public—that they are seen to be properly investigated.

## MY INQUIRIES

### Mr Trend's Account of Events

16. Accordingly I wrote to Mr Trend on 6 January explaining my decision to proceed with inquiries and seeking his comments on the issues raised by the complaints. A copy of my letter is at Annex D. Following that letter, Mr Trend came to see me on 13 January and showed me a preliminary draft of his reply. I explained the process of inquiry to Mr Trend and encouraged him to amplify certain points in his draft response. This he did, sending me on 21 January the letter reproduced at Annex E. That letter led me to put certain questions to Mr Trend (Annex F), to which he replied on 27 January (Annex G). I interviewed Mr Trend (who was accompanied by another Member acting as his friend) in the presence of my PA, on Monday 3 February. Mr Trend also came to see me on 5 February (accompanied by his friend) to offer his comments on the factual sections of this memorandum.
17. Putting together the contents of Mr Trend's letters of 21 and 27 January and his responses during our discussion on 3 February, his account of events is as follows. At the time of his election to Parliament in April 1992, Mr Trend's main residence was a house he owned in North London. Following his selection as a candidate in April 1990, he had rented, first a flat and then a house in Windsor but continued to own the London house. In April 1994, he bought his present house in Windsor.
18. In 1993 he sold his London house (although he continued, in error, to pay the ground rent on it for several years afterwards) and thereafter made his London home with a friend, where he stayed whenever he wanted. The frequency of his overnight stays in London has varied. In the 1992 Parliament, (during part of which he served as a Parliamentary Private Secretary), he stayed overnight in London frequently; in the next Parliament less often; and since 2001 rarely, although with the recent change in the House's sitting hours and the earlier starts this entails, he expects to need to stay in London more frequently in future.
19. Mr Trend says that he attended a briefing given by the Department of Finance and Administration for new Members about allowances and other financial matters shortly after his arrival in the House in 1992. The Department confirms that this is likely. In his letter of 27 January he goes on:
- "My understanding of ACA following that briefing was in substance ...that since I was an out-of-London MP with two places of work, I could claim ACA in respect of accommodation either in London or in my constituency; that I needed to nominate one of my addresses as 'home' for the purposes of the allowance, and that I would then claim ACA in respect of expenses incurred in the other. I did not understand that I was supposed to assess whether London or Windsor was my 'main residence', and that only my 'main residence' could be designated as 'home' for ACA".*
20. When Mr Trend entered the House in 1992, he nominated his London house as his main home and claimed ACA in respect of the house he then rented in Windsor. Following his purchase of a house in Windsor in April 1994, he says:
- "For the purposes of ACA, my 'home' continued to be London, and I claimed the allowance in respect of the Windsor house".*
21. Mr Trend says that between 1992 and 1994 he had several conversations with the Department about ACA and checked the arrangement he had made with them whenever his circumstances changed. In particular he remembers clearly the conversation he had with the office at the time of his move to his present address in Windsor, in which he pointed out the precise nature of his circumstances. He continues:
- "I was told that my claim for ACA could properly continue, and indeed the Fees Office advised me that, because mortgage interest was an expense properly chargeable against the allowance, I should go for an endowment mortgage rather than a repayment mortgage.*

*It was at all times my honest and sincere belief that my claiming ACA was in accordance with the rules. This belief was supported by my conversation with the Fees Office”.*

Mr Trend is certain that he was given the advice about what type of mortgage he should take out by the Department.

22. I asked Mr Trend whether he had any record of his conversations with the Department. He replied that they were all on the telephone and that he had no details either of dates or of the names of the people he spoke to. He is confident, however, that when he informed the Department that he was buying a house in Windsor:

*“... there could have been absolutely no doubt that the Windsor house was going to be my main residence”.*

23. I also asked Mr Trend how he could understand that his main home could continue to be in London for the purposes of ACA, even after he had bought his house in Windsor. Mr Trend replied:

*“This was not my understanding. Had I asked myself, after I bought the house in Windsor, whether London or Windsor was my ‘main residence’, I would certainly have said that it was Windsor. I did not ask myself that question, because ...I did not understand that ACA could only properly be claimed in respect of a property that was not my ‘main residence’. I believed that I could properly continue to designate London as ‘home’ for the purposes of ACA, even though, in domestic terms, Windsor had become my ‘main residence’.”*

24. When the ‘Mail on Sunday’ published its allegations, Mr Trend’s reaction was that the allegations were wrong: he had never claimed ACA on his London address. He and Mr Cameron were in touch immediately and he went to see Mr Cameron to confirm that his understanding was correct. It was during this conversation that he first became aware that he had misinterpreted the significance of identifying his ‘main residence’ for the purposes of ACA. Prior to that he had never discussed the definition of his main home with the Fees Office at any time.
25. Having learned from Mr Cameron that, the Windsor house having become his ‘main residence’, he should not have claimed ACA in respect of it, Mr Trend says that he was dismayed because he had always believed his conduct was perfectly proper. He nonetheless accepted what he was told and determined to put the matter right without delay by repaying ‘the whole sum’. That led to the exchange of letters with Mr Cameron. His outstanding account—totalling £90,277.00—was repaid in full on 23 December 2002.

### **Comments by the Department**

26. At the same time as writing to Mr Trend about the complaints against him, I wrote to Mr Cameron asking for the Department’s account of the nature of the claims made by Mr Trend under the ACA and in what respect they believed these claims were invalid. I have also invited the Department’s comments on the explanation of events offered by Mr Trend. The main points to emerge are as follows.
27. Mr Trend had certified to the Department as recently as 30 November 2000 that his main residence was in London and that he wished to claim ACA for his constituency home. (A blank copy of the form of certificate completed by Mr Trend is at Annex H). However, Mr Trend had explained during his conversation with Mr Cameron on 16 December 2002 that his family home was in Windsor and that this had been the case since 1993 when he had sold his London house. Mr Trend stayed overnight in London from time to time but had only to meet limited expenses when doing so. His claim for ACA contravened the rules not because he was claiming on a property in London (as the ‘Mail on Sunday’ incorrectly assumed) but because it was made in respect of his main home in Windsor.
28. The Department does not have records going back before April 1996. £90,277.00 is the total amount of ACA claimed by Mr Trend between April 1996 and November 2002. The

Department is unable to assess accurately how much ACA was claimed by Mr Trend between 1993 (when he sold his London house) and April 1996. Nonetheless the amount of ACA claimed erroneously by Mr Trend is likely to be more than the amount he has repaid. However, no allowance has been made in either period for any expenditure Mr Trend might have been able to claim had he correctly identified Windsor as his main residence

29. Since the Department does not keep records back to 1992, it has no record of any of the conversations which Mr Trend says took place with its staff about ACA. In particular, there is no record now available of the conversation, describing his precise circumstances, about the move to his present address in Windsor, when Mr Trend says that he was told he could continue to claim ACA as before. Mr Cameron has commented to me on this point:

*“If such advice had been given it would have run directly counter to the written rules. If I had been aware that a member of staff had given such advice I would have considered disciplinary action. I expect my predecessors [Mr Cameron was appointed to his present position in November 1998] would have done the same”.*

30. The Department also has no evidence either to support or to contradict Mr Trend’s assertion that he was advised to take out an endowment rather than a repayment mortgage. Mr Cameron has pointed out that no member of staff of his department is qualified, or ever has been, to provide financial advice of this or any other kind, and that “*staff at all levels are aware of this restriction*”. However, Mr Trend has made clear to me in conversation that he never intended to imply that he had received financial advice in this sense from the Department’s staff. What they did do, in an attempt to be helpful, was advise Mr Trend on what would be reclaimable under the allowance. Mr Cameron accepts that a conversation of that nature and about what might have been most convenient for the Member, would not have been inappropriate and could have happened.
31. On Mr Trend’s assertion that he was not aware that he could only claim ACA for accommodation away from his main home, Mr Cameron has commented in a letter to me of 29 January:

*“I find this surprising. I attach a copy of the ACA claim form used in 1992, which clearly directs Members to satisfy themselves that their claim fell within the terms of the relevant Resolution of the House”*

to which I have referred in paragraph 7 above. The Resolution was reproduced on the front of the book of claim forms sent to Members. That particular form ceased to be used in the mid 1990s. Nonetheless Members continued to be asked which address they wished to nominate for the purposes of ACA and on 30 November 2000, Mr Trend signed a form which certified that his main residence was in London and that he intended to claim ACA in the constituency.

### **Comments by Mr Trend**

32. When Mr Trend came to see me on 5 February to offer his comments on the factual sections of this memorandum, he told me that:
- (a) he felt there was an ambiguity in the way in which the terms ‘home’ and ‘main residence’ have been used over the years in relation to the Additional Costs Allowance;
  - (b) he did not recall ever having been briefed about the implications of the House’s Resolution of 1971 which had introduced the allowance;
  - (c) although the Green Book says that a Member must provide supporting evidence for major items of anticipated or actual expenditure under the ACA, he had never been asked to supply such evidence. If he had been asked for it the problem might in his view have been rectified sooner;
  - (d) his understanding of the certificate which he signed on 30 November 2000 nominating his friend’s London home as his (Mr Trend’s) ‘main residence’ was consistent with his understanding at that time of the elective nature of the allowance arrangement. It was not

until he had seen Mr Cameron on 16 December 2002 that he had understood the proper significance of the certificate.

## FINDINGS OF FACT

33. There is no dispute about the main facts of this case. On his election to the House in 1992, Mr Trend nominated his London home as his main residence for the purpose of ACA and claimed ACA in respect of his accommodation in his Windsor constituency. He acted properly at this point. However, he sold his London house in 1993 and in 1994 bought his present home in Windsor. Nonetheless he continued to certify that his main home was in London and to claim ACA in respect of his accommodation in Windsor.
34. In acting in this way Mr Trend did not observe the rules concerning payment of ACA. Mr Trend has acknowledged this in his letter of 19 December to Mr Cameron, in his letter of 21 January to me, and during my subsequent conversation with him. He asserts that this happened because he misunderstood the nature of the rules. Crucially, he believed that he could nominate *either* his London *or* his Windsor address as his home for the purposes of ACA and that it did not matter which of these in practice was his main residence. He did not understand that ACA could only properly be claimed in respect of a property that was *not* his ‘main residence’. As Mr Trend explained the position to me during a telephone conversation subsequent to our meeting on 3 February:

*“I was never asked what my ‘main residence’ was in terms of my family life. If I had been, that would have alerted me to the issue. I much more viewed the matter as there being an option as to which home I nominated. That is how it was generally understood”.*

35. When, following publication of the ‘Mail on Sunday’s’ allegations, he saw Mr Cameron who pointed out the correct position to him, Mr Trend apologised and has since repaid in full the sum specified by the Department (totalling £90,277.00). In his letter to me of 21 January Mr Trend summed up the position:

*“My mistaken understanding of the effect of the rules concerning ACA was a belief honestly and genuinely held. However, I deeply regret having found myself in this position and have sincerely apologised for it”.*

36. There is one other factual point on which I touch for the sake of completeness. In an e-mail to me of 8 January, Mr Cochrane, the principal complainant in this case, suggested that, as Mr Trend had initially told the ‘Mail on Sunday’ that he had a London home but had subsequently admitted claiming ACA erroneously and having sold his London house some 9 years ago, Mr Trend had lied when challenged by the newspaper in order to cover up his actions. Given that Mr Trend had never claimed ACA on any ‘home’ he had in London and understood the house he stayed in when in London to be his London ‘home’, I do not think that it can be said that Mr Trend lied as Mr Cochrane alleges. It should also be recorded that Mr Trend did not attempt to disguise his position during the critical conversation with Mr Cameron on 16 December 2002 in which the precise nature of his error in claiming ACA was revealed.

## CONCLUSION

37. The allegations in this case are serious. A substantial sum of public money is involved. The Member’s reputation for honesty is at stake. Something more than applying the civil law test of the balance of probabilities is, in my view, appropriate when assessing the evidence. The Committee has previously taken a similar view in other cases (see, for example, paragraphs 16–20 of the Second Report for Session 2000–01, HC 89<sup>5</sup>). In particular, when considering the issue of possible dishonesty, the proof required should be one of a high degree of probability. Indeed the criminal law itself *may* be relevant (see paragraphs 45–46 below).

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<sup>5</sup> Second Report: *Complaint against Mr John Maxton and Dr John Reid*, Session 2000–01 (HC 89).

38. Mr Trend is obliged by the Code of Conduct approved by the House not to make improper use of any payment or allowance he receives as a Member for public purposes, and strictly to observe the administrative rules which apply to such payments and allowances. The evidence is clear that Mr Trend has failed to observe those rules in respect of the Additional Costs Allowance. His failure has not arisen because he was wrongly claiming on his London home whilst travelling back to his Windsor constituency, as Mr Cochrane and others who have complained to me following the article in the 'Mail on Sunday' on 15 December have alleged. Rather it has arisen because, having initially claimed ACA properly on his home in Windsor during the time when his main home was in London, he continued to certify that his main residence was in London long after he and his family had moved to Windsor and he had sold his London house, wrongly continuing to claim the allowance on his home in Windsor.
39. Mr Trend says that this happened because of a genuine misunderstanding. He did not understand that he was supposed to assess whether London or Windsor was his main residence. He did not understand that he could only claim the allowance on the home which was *not* his main residence. He believed that he had the option of nominating either Windsor or London as his main home, regardless of which of these was in practice his main residence. He says that his understanding was supported by several conversations he had with the Finance and Administration Department between 1992 and 1994, when he was in the process of selling his London home and buying a house in Windsor, and that in those conversations he did not disguise his true circumstances from the Department.
40. From the point of view of establishing the truth or otherwise of Mr Trend's account of events, it is unfortunate that the Department does not currently possess records on any Member's allowance claims prior to April 1996. Nor can Mr Trend produce any documentary evidence of his conversations with the Department. In the absence of such firm evidence, it is difficult either to substantiate or to disprove Mr Trend's account of events.
41. There is, however, clear evidence that as recently as 30 November 2000, Mr Trend certified that his main residence was in London. Mr Trend says that he did not understand the significance of the certificate. However, it is difficult to understand how he felt able to sign a certificate giving the home of his friend in London as his main residence when, on his own admission, he stayed there only occasionally. It is also difficult to square Mr Trend's understanding of the nature of the Additional Costs Allowance with the purpose of that allowance as set out in the House's Resolution of 1971, or with the guidance about it in successive editions of the Green Book.
42. Some may be tempted to draw the conclusion from this that Mr Trend deliberately set out to abuse the allowance. I do not think that the evidence available is sufficient to substantiate that charge. However, it is certainly sufficient to justify the view that Mr Trend was, at the least, careless or negligent in relation to the claims he made. And it is clear that in failing to observe the rules which apply to the allowance, and thereby misusing it, he breached the Code of Conduct.
43. I conclude that, whilst the complaints as put to me by Mr Cochrane and others were strictly incorrect and can not be upheld in the terms in which they were made, Mr Trend had claimed ACA in breach of the rules relating to that allowance. Under the system relating to Members allowances, he took personal responsibility for the accuracy and appropriateness of his claims on each occasion he made them. In weighing the consequences of his breach of the rules, the Committee will no doubt wish to have regard both to the seriousness of this matter (a seriousness that is compounded by the fact that the present system for paying MPs allowances rests on continued confidence that Members have certified their claims correctly), and to Mr Trend's decision to contact Mr Cameron immediately the 'Mail on Sunday' article appeared, his honest admission of his position during his conversation with Mr Cameron on 16 December 2002, his ready apology and his prompt repayment of the sum he was told he owed the Department.

#### **POST SCRIPT**

44. There are two further matters arising from the complaints I received on which I think it appropriate to comment:

- (1) the possible relevance to this case of the law on obtaining by deception;
- (2) the adequacy of the controls applied by the Department of Finance and Administration.

### **The Criminal Law**

45. I mentioned earlier (see paragraph 14) that a number of those who wrote to me following the *Mail on Sunday's* allegations suggested that Mr Trend might have committed a criminal offence in effectively defrauding the public purse and that he should be prosecuted for this. They pointed out that others who were found by their employer wrongly to have claimed expenses or allowances might well have been prosecuted for this. They argued that there should not be one standard for MPs and another for other citizens in this respect.
46. The decision whether Mr Trend or any other Member who may be shown to have wrongly claimed parliamentary allowances should face a criminal prosecution is one for the police and the prosecuting authorities, not for me. As the briefing note on the law on obtaining by deception at Annex C makes clear, there are a number of ingredients to the offence which would have to be proved if a prosecution were to succeed; achieving this would not necessarily be easy. However, the point that needs to be made here is that claiming an allowance is not a proceeding in Parliament and the provisions of parliamentary privilege do not apply. Members of Parliament are no less subject to the criminal law in this respect than anyone else. They must have its provisions in mind at all times like anyone else, and decisions about whether it should be invoked against them must be taken applying the same tests as would be applied to any other citizen.

### **The Adequacy of Controls Applied by the Department of Finance & Administration**

47. This case inevitably raises questions about the adequacy of the checks applied by the Finance and Administration Department to claims by Members in respect of the ACA. Some of those who wrote to me following the allegations against Mr Trend suggested that I should investigate all the claims made by Members in respect of the Additional Costs Allowance. Others have suggested that I should examine in detail the adequacy of the financial controls applied by the Department.
48. It is not within my remit (or resources) to mount an audit of all Members' claims, nor is it part of my expertise to advise the Department in detail on its financial control or audit arrangements. These arrangements are regularly the subject of discussion between the Department and the National Audit Office. Nonetheless the public requires assurance that the tax payers' money which is rightly being set aside to enable Members to discharge their demanding role is being properly expended, and the Code of Conduct specifically refers to the improper use of such allowances made to Members.
49. The Department's records relating to Mr Trend's claims for ACA go back to the financial year 1996–97. In keeping with their current policy on records retention, they have destroyed earlier records. It is not therefore clear what, if any, documentary evidence Mr Trend submitted between 1992 and early 1996 in support of his claim for ACA, although in conversation with me he said that whilst he believed he had properly met the Department's requirements, he did not recall having submitted any.
50. The evidence on the file in support of the ACA claims consists of monthly signed statements of amounts of expenditure incurred on Mr Trend's Windsor residence, and a form completed and signed by Mr Trend in November 2000 stating that the address where he stayed in London was his main home. There is no evidence on the file that Mr Trend was asked to provide additional information to support his claim, nor does he recall ever having been challenged to provide any. However, even had he produced such evidence, it would not have exposed the fundamental flaw that his main residence was in Windsor not in London.
51. The onus for ensuring that his claims were correct—and in particular related to a property which was *not* his main home—was on Mr Trend, not on the Department. According to Mr Cameron, the Department relies on Members disclosing the full facts of their own circumstances in establishing their eligibility to claim ACA. Any changes in those circumstances must be reported to the Department as they arise. In the case of Mr Trend, the

Department had received as recently as November 2000 a certificate from him that the house where he occasionally stayed in London was his main home. In a letter to me of 29 January, Mr Cameron comments on this point:

*“Whether a particular property is the main home is generally a matter of fact and we had no reason to suppose that he was not spending significant amounts of time [in London]. The information we received about the Windsor home is not in dispute, and further documentary evidence would not have uncovered the initial erroneous claim.”*

52. I asked Mr Cameron what steps his Department had taken or intended to take to remedy any errors in claims under the ACA and to try to ensure that errors are avoided in future. Mr Cameron responded:

*“I have already initiated a programme to review Members’ ACA claims to consider any apparent inconsistencies or gaps in the information we hold that could suggest errors or misunderstanding of rules, and the need for follow up action. We are also clarifying the rules in the new version of the Green Book due shortly ...*

*We already have in hand a redesign of the ACA claim form. The main changes will be:*

- to include a clear statement of the rules governing ACA, including a description of what is the main home for this purpose;*
- to include the address of the home (purchased or rented) for which ACA is claimed;*
- a strengthening of the certification of the claim form to align it with that required for the Incidental Expenses Provision and travel claims;*
- a specific monetary threshold above which receipts will be required to support expenses claimed;*
- specific expenses which will not be admissible as claims against this allowance.*

*These changes will require to be approved by the Speaker”.*

53. This action is welcome and may help prevent wrongful claims arising in future. However it is for consideration whether the system for ensuring the accuracy of claims for allowances by Members does not need to be strengthened further to ensure (a) the more active provision of advice to Members and their staff so as to try to help them ensure they are making correct claims; (b) routine provision by Members of sufficient corroborative information to support their claims; and (c) effective auditing of claims, not by imposing more bureaucratic regulation on Members in the form of demands for more and more documentation the benefit of which may be at best marginal, but through active and thorough “health checks” on Members’ use of expenses.

54. These are matters which are for the Speaker’s Advisory Panel on Members’ Allowances to take forward in the first instance. They would need to consider issues such as the extent to which the arrangements would be voluntary and how far accountability should pass from Members to the House authorities. Whatever the precise solutions adopted, at the end of the day, the House must be able to show that the requirements for auditing which it imposes on itself are no less effective than those it would expect of others responsible for the expenditure of public money.

10 February 2003

Sir Philip Mawer

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**Annex A**

**Letter to the Parliamentary Commissioner for Standards  
from Mr Kevin Cochrane**

MICHAEL TREND MP/MAIL ON SUNDAY ALLEGATIONS

Following the allegations made against Michael Trend, MP, as contained in the 'Mail on Sunday' in yesterday's edition (15/12/02) I would ask that you investigate these allegations as a matter of urgency.

The allegations concern an apparent practice by Mr Trend of claiming for overnight accommodation when voting in the Commons. Over a number of nights the MOS allege that he actually returned home to his house in Windsor whilst claiming for the cost of an overnight stay in London. This practice is alleged by the MOS to continued for a number of years and the amount of expenses alleged to have been claimed is approximately £100,000.

As I do not have access to Mr Trend's Expense claims or his records at the Fees Office I cannot provide any documentary evidence that would add support to the MOS's allegations. Given the seriousness of these allegations and the lengthy time period they cover I would ask that you request any such evidence from the MOS and that you ask Mr Trend provide you with a detailed response to these allegations.

Given these matters, I would ask that you also ask Mr Trend if he has made a full disclosure of all paid activities in the Register of Interests for MP's.

To declare my interest in the matter, I am a member of the Ascot Labour Party and also a resident/voter in Mr Trend's Windsor constituency.

16 December 2002

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**Attachment**

**Articles from *The Mail on Sunday* on 15 December 2002**

MP TOOK £100,000 IN BOGUS HOME CLAIMS

A Row over MPs' expenses erupted last night after claims that a Tory MP has falsely claimed up to £100,000 of taxpayers' money.

The Mail on Sunday today reveals that Conservative MP Michael Trend receives nearly £20,000 a year in a tax-free allowance intended to pay for London accommodation for MPs from far-flung constituencies.

Mr Trend, who has claimed the steadily rising allowance for ten years, regularly commutes the 25 miles between London and his home in his constituency of Windsor.

Leading political figures last night called for an investigation into claims of fiddled expenses by MPs such as:

- Bogus mileage claims charged at 53p a mile worth thousands of pounds a year; and
- Boasts by MPs who have used expenses to cash in on the London property boom.

Anti-sleaze former MP Martin Bell said last night: 'As an MP you are almost invited to sign a cheque to yourself each month. Thousands of pounds are paid out to MPs and no one ever asks for a receipt.' And Liberal Democrat MP Norman Baker said: 'We need a new system whereby MPs' expenses are properly audited.'

Mr Trend, 50, who put in a claim for the full £1,643 'additional costs allowance' in November, admitted he spent 'most evenings' at Windsor, but insisted he had done nothing wrong.

He said he also had a London address but refused to reveal details. A source in the Commons Fees Office, which pays MPs' expenses, said: 'No one is policing these claims and large sums are wasted.' Former Parliamentary Commissioner for Public Standards Elizabeth Filkin told friends she tried to investigate MPs' expenses but was told to 'keep her nose out'. Mr Trend could face an inquiry by her successor, Philip Mawer.

The total paid in MPs' expenses and allowances is expected to rise from £57 million last year to a record £94 million this year. The salary bill has gone up from £31 million to £36 million.

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HOW MP POCKETED £100,000

Senior political figures called for an investigation into MPs' expenses last night following allegations that a senior Conservative has falsely claimed up to £100,000 in Parliamentary allowances.

A Mail on Sunday investigation into claims that MPs are fiddling hundreds of thousands of pounds of expenses has established that a top Tory MP who mainly commutes to the Commons each day claims a £20,000 a-year tax-free allowance meant for overnight stays in London.

Windsor Conservative MP Michael Trend regularly drives the 25 miles to the Commons from his £700,000 house in Berkshire, where he lives with his wife Jill and their three children.

But The Mail on Sunday has learned that Trend, 50, claims the full £1,643 a-month 'additional costs allowance' meant for MPs who need accommodation—usually near the House of Commons—to carry out their Parliamentary duties.

He is understood to have claimed the full allowance ever since becoming an MP in 1992—a sum totalling more than £100,000 over the years.

Mr Trend admitted to The Mail on Sunday that he spent 'most evenings' at Windsor, but insisted he had done nothing wrong. He said he also had an address in London but refused to reveal details, claiming it was 'confidential' and adding: 'I don't stay there very often because of the hours we now work in Parliament.'

Fears that the system is being abused are shared by some officials in the Fees Office who have expressed their worries about MPs' claims.

One politician said he believed that more than one MP living in the Home Counties is taking advantage of the ending of late-night Commons sittings to commute home each night while falsely claiming money for staying overnight in London.

Anti-sleaze former MP Martin Bell said: 'We need proper checks to ensure taxpayers are not being cheated.'

Liberal Democrat MP Norman Baker said last night: 'Unless MPs' claims are properly monitored they are open to the accusation that they are exploiting the system when in reality it is a small number who are giving the rest a bad name. Receipts should be provided so that expenditure is demonstrably matched by expenditure incurred.'

Most MPs freely admit that the biggest area of potential abuse is with the 'additional costs allowance', which is to cover MPs' 'expenses incurred when staying overnight away from their main home whilst performing Parliamentary duties'.

Its main purpose is to pay for MPs with seats outside the capital to stay in London during the week so they can be near the Commons.

The allowance has risen over the years since Mr Trend became an MP. Last year, after a revolt led by Labour MPs, it soared from £13,300 a year to £19,722. MPs can use the £1,643 monthly allowance to pay rent or obtain a mortgage, or to stay in hotels.

Many, like Mr Trend, claim every penny of the allowance without providing receipts—in clear breach of the Commons rules.

Confidential advice issued to all MPs by the Commons Fees Office, which pays expenses and allowances, states: 'You must provide supporting evidence for major items of anticipated or actual expenditure such as mortgage interest/rent.'

It also states: 'You should break down the expenses into the categories shown on the form.'

And it warns MPs not to cheat, saying: 'Your signature effectively certifies that the amount claimed has been spent on the additional costs necessarily incurred in staying overnight away from the main home.'

The MPs' Code of Conduct states: 'No improper use shall be made of any payment or allowance made to MPs for public purposes and the administrative rules which apply to such payments and allowances must be strictly observed.'

An insider with experience of the Fees Office said: 'An MP who wants to make a false claim can do so quite easily. Some of the forms that come in contain little more than a name and an amount of money. There are no details, no proof, no nothing.'

'Many of us are worried about the way it is administered, but when we raise queries we are told it's all above-board.'

'There are rumours that some MPs treat the London living allowance as a means of topping up their income.'

Within ten days of making claims, the £1,643 cheque arrives, made out to the MP. And no tax is paid. As the 40 per cent tax rate kicks in at earnings over the £29,900 mark, any MP pocketing the full allowance would be gaining the equivalent of an extra £33,000 on the basic £55,000 salary, taking him or her to £88,000.

Mr Trend is believed to have submitted a full £1,643 claim for November—worth £411 a week.

A Mail on Sunday investigation conducted in the last week of November showed that he spent Monday, Tuesday and Wednesday night at his home in Claremont Road, Windsor, emerging from the house each following morning to go to the Commons and returning home each night.

The Commons did not sit on Friday which Mr Trend spent in his Windsor constituency.

The pattern remained broadly the same for the next two weeks, apart from Parliamentary trips to Lithuania and Bristol. He was observed commuting to the Commons two or three times each week, by car or train, returning in the evening.

The mystery over his London address is compounded by the BBC's guide to MPs' phone numbers which gives the number at the home in Islington, sold by Mr Trend ten years ago when he entered the Commons.

Tom Carter, who, with wife Deirdre, bought the house from Mr Trend, told The Mail on Sunday: 'We still get the occasional call for Mr Trend, usually from the BBC.'

A BBC source said: 'We update the guides every two years or so. It would be most odd if an MP's number has been printed inaccurately for ten years. We go to great lengths to check them.'

The number for Mr Trend's constituency office was correctly amended by the BBC when it changed. Mr Trend said: 'I have asked the BBC a number of times to take the number out of the book, but I have not put down another number.' His elderly mother Patricia, who lives in Rochester Row only a mile from the Commons, said: 'He never stays here.'

While refusing to reveal his London address, Mr Trend insisted: 'I do have a home in London. It is somewhere I stay in London late at night. The Whips know where it is. I have Hansard delivered there.'

He refused to say where the house was or who owned it but added: 'During my first parliament I stayed there almost every night.'

But he seemed uncertain. At first he said he was sure his arrangements were within Parliamentary rules. 'I've checked with the Fees Office— it is absolutely straight.' Later he said he could not comment until he had 'double-checked with the Fees Office'.

Mr Trend said the address did not belong to him. Asked if he paid rent for staying there, he said: 'What I do with my allowances is a private matter. I claim the allowances on this place [the Windsor house], don't I?'

When told the allowance was usually for a London base, he appeared to change his mind. 'Then I claim in London.'

Asked if he stayed in Windsor every night, he said: 'No. I spend some time in London. I have not looked at the rules for a long time but I am pretty sure that I am absolutely OK.'

'I do have an address in London. I know you will not take my word for it—but I do.'

Mr Trend was educated at Westminster School and Oriel College, Oxford. He has been MP for Windsor since 1992 and his four-storey house is within walking distance of Windsor Castle.

He and wife Jill have two daughters and a son, all of whom attend private schools.

A former aide to ex-Environment Minister Tim Yeo, Mr Trend was deputy Tory chairman and is a member of the Commons Public Administration Committee, which monitors standards in the public services.

His father was Lord Burke Trend, one of the most famous Cabinet Secretaries.

Martin Bell believes that new checks on MPs' expenses are vital. He says: 'The system is far too lax and belongs to the days when the Commons was a club and everyone's word could be trusted. Many claim the maximum they are allowed and no one ever asks for a receipt.'

'No commercial organisation would operate like that.'

'Mileage claims are wide open to abuse. If you tell them you have driven to your constituency every day, no one ever comes back to check. There is a general tendency to inflate mileage travelled in constituencies.'

And Lib Dem MP Mr Baker said: 'The systems for auditing the additional costs allowance are inadequate and open to abuse by MPs.'

'In the past, I have tried to find out how much MPs claim in various types of expenses but the Fees Office said they couldn't do it. It is clearly in the interests of MPs and taxpayers to have a properly audited system'

He added: ‘I am not suggesting any MP has acted illegally. But I have serious doubts about the ethics of this allowance which is meant to enable MPs to stay in London to perform their Parliamentary duties, but which allows them to make a profit on a second property when they cease to be an MP.

‘Or even worse, simply to pocket the allowance without even having a second property.’

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## Annex B

### List of complainants in addition to Mr Cochrane

Mr M Barnbrook  
 Mr M Barron  
 Mr R Burningham  
 Mrs D Cunningham  
 Mr C A Deucan  
 Mr D E Hussey  
 Mr T Johnson  
 Mr S N Loosley  
 Mr E Shepherd

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## Annex C

### Briefing note prepared by the Legal Services Office on the Law on Obtaining by Deception

1. Sections 15 to 21 of the Theft Act 1968 and sections 1 and 2 of the Theft Act 1978 deal with the offence of “obtaining by deception”. There are 3 elements to the offence: obtaining; deception; and dishonesty. Sections 15 and 16 are most relevant when considering allegations which involve a person obtaining a sum of money that he/she is not entitled to (rather than for example, obtaining a service or security that he/she is not entitled to).
2. Section 15 provides for the obtaining of property by deception. “Property” is defined as including money and all other property. This section states that a person who by any deception dishonestly obtains property belonging to another with the intention of permanently depriving the other of it is guilty of an offence and liable on conviction on indictment to imprisonment for a term not exceeding 10 years or on summary conviction to imprisonment for a term not exceeding 6 months or a fine not exceeding the prescribed sum or both.
3. Section 16 provides for the obtaining of a pecuniary advantage by deception. Paragraph (1) states that a person who by any deception dishonestly obtains for himself or another any pecuniary advantage shall on conviction on indictment be liable to imprisonment for a term not exceeding 5 years. Paragraph (2) states the two cases in which a pecuniary advantage within the meaning of this section is to be regarded as obtained as being where: he is allowed to borrow money by way of overdraft, or to take out any policy of insurance or annuity contract, or obtains an improvement of the terms on which he is allowed to do so; or he is given the opportunity to earn remuneration or greater remuneration in an office of employment or to win money by betting.
4. In both section 15 and section 16 the obtaining must be by deception. The deception must be the effective cause of obtaining the property or pecuniary advantage and must operate on the mind of the person to whom it is directed otherwise there will only be an attempt to commit an offence.
5. *Deception* is defined in section 15 of the Act (and this definition also applies to section 16) as meaning “any deception (whether deliberate or reckless) by words or conduct as to fact or law, including a deception as to the present intentions of the person using the deception or any other person”.
6. The definition of deception in sections 15 and 16 contains the following elements:
7. Proof of falsity. It must be proved that A made a false statement. If his statement was true he cannot be guilty of the offence even though he believed it to be false and was dishonest.
8. Deliberate or reckless. A deception is deliberate if A knows his statement is false and will or may be accepted as true by B. A deception is reckless if A is aware that it may be false and will or may be accepted by B as true; or is aware that it is ambiguous and may be understood by B in the false sense. Carelessness and negligence is not enough. If A believes his statement to be true he is not reckless, however unreasonable his belief may be; however, the more unreasonable A’s alleged belief the more likely it is that the court or jury will be satisfied that the belief was not really held.

9. By words or conduct. Deception means any deception by words or conduct. Where A knows that B is or may be under a misapprehension, anything whatever done by A to confirm B in his error is capable of amounting to a deception. Case law suggests that if A were *under a duty* to inform B of certain circumstances and did not then his omission in breach of duty would constitute deception by conduct. Otherwise there is no general obligation to take steps to correct a misapprehension but as stated previously a person would be culpable if they did anything to confirm the misapprehension.
10. The other element to the charge in sections 15 and 16 is *dishonesty*. In a section 15 or 16 case, the jury must be told that before convicting it must be satisfied that the particular deception was dishonest, and where the deception was reckless rather than deliberate the summing up should normally deal separately with dishonesty as an ingredient of that offence.
11. If the defendant pleads "honest belief" in order to negate the charge of dishonesty the questions for the court are:
  - I. Whether the act was dishonest according to the standards of reasonable and honest people; and
  - II Whether the accused appreciated what he was doing was by those standards dishonest.

3 February 2003

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**Annex D**

**Letter to Mr Michael Trend MP  
from the Parliamentary Commissioner for Standards**

COMPLAINT BY MR KEVIN COCHRANE AND OTHERS

I have received a complaint from one of your constituents, Mr Kevin Cochrane, and from five other members of the public, based on allegations which recently featured in *The Mail on Sunday*. The essence of these allegations is that you made false claims under the Additional Costs Allowance (ACA) amounting to some £90,000 and that in so doing you breached the Code of Conduct for Members approved by the House. As you know, this provides that:

*"No improper use shall be made of any payment or allowance made to Members for public purposes and the administrative rules which apply to such payments and allowances must be strictly observed."*

I am aware from newspaper reports that you have agreed to repay to the Fees Office £90,277 in respect of claims on your Windsor residence which you now understand fall outside the terms of the ACA. However, this agreement does not prevent my examining whether a breach of the Code has occurred. I am also aware that paragraph 84 of the Guide to the Rules for Members indicates that I would not normally regard a complaint based upon no more than a newspaper story as a substantiated allegation. However in this instance I regard it as appropriate to put these complaints to you because

- (1) in the circumstances of this case it would be difficult for a third party to produce evidence independent either of your (confidential) dealings with the Fees Office or of what has been reported by *The Mail on Sunday* or in other papers;
- (2) of the public interest in seeing that the complaints are considered and in understanding fully the circumstances which they concern.

I am enclosing a note of guidance for Members who are the subject of a complaint, which was recently approved by the Committee on Standards and Privileges. The note sets out the procedures involved in the consideration of a complaint. You will see that the first step is for me to put the complaints to you and seek your response. I should accordingly welcome any comments you may wish to let me have on the letters of complaint enclosed and the associated allegations in *The Mail on Sunday*. What I look for at this stage is a full and truthful account of the circumstances which have given rise to the complaints. It would be helpful to have this in writing but if you wish to come and discuss these matters with me, please contact my PA to make arrangements for us to meet.

I am sending a copy of this letter and enclosures to the Director of Operations in the Department of Finance and Administration, Mr Archie Cameron. I have written separately to Mr Cameron putting certain questions to him and enclose a copy of my letter for your information.

I look forward to hearing from you. If you have any queries as a result of this letter, please do not hesitate to be in touch.

6 January 2003

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## Annex E

### Letter to the Parliamentary Commissioner for Standards from Mr Michael Trend MP

Thank you for your letter of 6 January. I set out below my account of the events which led up to the complaints made against me. If you would like further details please let me know.

At the time of my election to Parliament in April 1992, my main residence was a house that I owned in London. Since my selection as a candidate in April 1990 I had been renting a flat in Windsor; following the election, I rented a house in Windsor, but I continued to own the London house. I was told by the Fees Office that ACA could be claimed in respect of accommodation either in London or in the constituency, and that I therefore needed to nominate one of my addresses as 'home' for the purposes of the allowance. At this time I nominated London, and claimed the allowance in respect of the rented house in Windsor.

In 1993, I sold the London house, and made arrangements for alternative accommodation in London. In the 1992 parliament I used to stay overnight in London frequently, in the next parliament less often, and since 2001 rarely. This reflects changes in my own life, and in the sitting hours of the House. It was, however, my expectation that I would need to stay in London more frequently in the future, due to the recent changes in hours, especially the much earlier starts to formal business.

In April 1994, I bought my present house in Windsor. For the purposes of ACA, my 'home' continued to be London, and I claimed the allowance in respect of the Windsor house.

Over the years, I had several conversations with the Fees Office about ACA. My understanding was that the arrangement I had made was allowed within the rules, and I checked this with them whenever my circumstances changed. I remember clearly the conversation I had with the Fees Office at the same time of my move to my present address in Windsor, in which I pointed out the precise nature of my circumstances. I was told that my claim for ACA could properly continue, and indeed the Fees Office advised me that, because mortgage interest was an expense properly chargeable against the allowance, I should go for an endowment mortgage rather than a repayment mortgage.

It was at all times my honest and sincere belief that my claiming ACA was in accordance with the rules. This belief was supported by my conversations with the Fees Office.

On 15<sup>th</sup> December 2002, the Mail on Sunday published a story alleging that I had for many years been claiming ACA in respect of a London property which did not exist, and when I seldom spent the night in London. This is also the allegation made in the complaints against me submitted to the parliamentary commissioner.

At the earliest opportunity, I checked my arrangements with Mr Archie Cameron of the Fees Office, who confirmed, of course, that all these allegations were false, since I had at no time claimed ACA in respect of any London residence.

In the course of my conversation, Mr Cameron told me that, the Windsor house having become my main residence, I should not have claimed ACA in respect of it. I was dismayed and very upset by this, because I had always acted in good faith in the belief that my conduct was perfectly proper.

However, I accepted what I was told by the Fees Office in December, and determined to put the matter right without delay. I enclose copies of letters exchanged between us, which show that my offer to pay the whole sum was accepted by the Fees Office, and that they now regard the matter as closed. My outstanding account with them has been settled in full.

My mistaken understanding of the effect of the rules concerning ACA was a belief honestly and genuinely held. However, I deeply regret having found myself in this position and have sincerely apologised for it.

21 January 2003

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### Attachment 1

#### Letter to Mr Archie Cameron, Director of Operations, Department of Finance and Administration, from Mr Michael Trend MP

I am now clear that I had a misunderstanding, honestly and genuinely held, about the terms of the ACA. As a result, I made claims on my Windsor residence which I now realise fall outside those terms. I very much regret this happened and I would like to offer my apologies to the House. I, of course, wish to set the matter right at once and I have offered to pay whatever is outstanding which I understand is £90,277. I understand that the House authorities are content for me to do so.

I am grateful to you for your help in this matter.

19 December 2002

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**Attachment 2**

**Letter to Mr Michael Trend MP  
from Mr Archie Cameron, Director of Operations, Department of Finance and Administration**

Thank you for your letter of 19<sup>th</sup> December 2002 in which you state that you now realise that you made claims on your Windsor residence which were not in accordance with the terms of the ACA and that you are anxious to pay the sum in question.

I am grateful to you for bringing this matter, which I now regard as closed, so speedily to a conclusion by making prompt arrangements to repay the sum in full. Once the sum is paid in full your outstanding account will be settled.

19 December 2002

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**Annex F**

**Letter to Mr Michael Trend MP  
from the Parliamentary Commissioner for Standards**

COMPLAINT BY MR COCHRANE AND OTHERS

Thank you for your letter of 21 January in response to mine of 6 January. You said that I might come back to you if I would like further details and there are one or two points which I think it would be useful to follow up so that the Standards and Privileges Committee and I may fully understand the position.

First, you refer a number of times in your letter to conversations you had with the Fees Office about your situation. The nature of these conversations is clearly important to understanding how the misunderstanding you describe arose. Do you have a record of any of these conversations? Even a diary entry would be helpful in confirming when they occurred.

Secondly, in the third paragraph of your letter you refer to the varying pattern of your overnight stays in London. Again, do you have any record of these stays (even if only partial ones)?

Thirdly, in the fourth paragraph of your letter you say that, for the purposes of ACA, your main home continued to be in London even after you had bought your home in Windsor in 1994. How did you understand that this could be so?

Fourthly, on page 2 of your letter you say (in the fifth paragraph on that page) that you discussed the definition of your main home with Mr Cameron after the Mail on Sunday published its article on 15 December. Was that the first occasion on which you had discussed that matter with the Fees Office or had you discussed it on any previous occasions? If so, with what outcome?

I intend to ask the Director of Operations, Mr Archie Cameron, for his comments on these matters and will copy to you my letter to him. Meanwhile I am sending him a copy of this letter and yours, for information.

Finally, I repeat my invitation to you to let me have, should you wish to do so, any suggestions you might wish to make to help Members avoid such a misunderstanding in future.

22 January 2003

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**Annex G**

**Letter to the Parliamentary Commissioner for Standards  
from Mr Michael Trend MP**

Thank you for your letter of 22 January. I shall deal with the numbered points that you raise, in the same order.

1. ACA was initially explained to me at a briefing on financial matters, of a sort given at that time to all new members shortly after their election. This took place at the Fees Office, which was then in Dean's Yard, but I have no record of the date, nor do I know the name of the person who spoke to me. My understanding of ACA

following that briefing was in substance what I set out in my earlier letter—namely that, since I was an out-of-London MP with two places of work, I could claim ACA in respect of accommodation either in London or in my constituency; that I needed to nominate one of my addresses as ‘home’ for the purposes of the allowance, and that I could then claim ACA in respect of expenses incurred in the other. I did not understand that I was supposed to assess whether London or Windsor was my “*main residence*”, and that only my “*main residence*” could be designated as ‘home’ for ACA.

Until my conversation with Mr Archie Cameron in December 2002, my later discussions about ACA with the Fees Office were all on the telephone, and I have no details either of dates or of the names of the people I spoke to. I can say that when I had the conversation about my buying my house in Windsor (the conversation in which I was given advice as to which type of mortgage was better from the point of view of claiming ACA) there could have been absolutely no doubt that the Windsor house was going to be my “*main residence*”.

2. The description given in my earlier letter of the pattern of my overnight stays in London—in the 1992 parliament frequently, in the next parliament less often, and since 2001 rarely—is my own honest recollection. I have no diary of the period which would enable me to give more details.
3. You ask how could I understand that my main home could continue to be in London for the purposes of ACA, even after I had bought my house in Windsor. This was not my understanding. Had I asked myself, after I bought the house in Windsor, whether London or Windsor was my “*main residence*”, I would certainly have said that it was Windsor. I did not ask myself that question, because (as I have explained above) I did not understand that ACA could only properly be claimed in respect of a property that was *not* my “*main residence*”. I believed that I could properly continue to designate London as ‘home’ for the purposes of ACA, even though, in domestic terms, Windsor had become my “*main residence*”.
4. I never discussed the “*definition*” of my main home with the Fees Office at any time, nor was this the purpose of my meeting with Mr Cameron following publication of the Mail on Sunday story. When I first became aware of the Mail on Sunday allegations, my reaction was just to say that they had got it wrong. They were accusing me of claiming allowances for a London property—but I was not doing so, and never had. I went to see Mr Cameron to confirm that this was right. This, of course, he did, but he also explained to me the significance of identifying my “*main residence*” for the purposes of ACA, which I had not previously understood.

27 January 2003

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## Annex H

### Form of Nomination of Main Residence for the purpose of the Additional Costs Allowance

A copy of the form used by the Department of Finance and Administration is reproduced overleaf.

.... /

**NOTIFICATION OF MAIN RESIDENCE AND OF INTENTION TO CLAIM ACA  
IN EITHER LONDON OR THE CONSTITUENCY**

I hereby notify the Fees Office that my main residence is:-

<b>ADDRESS:</b>       <b>POST CODE:</b>
--

And that it is my intention to claim ACA in LONDON / CONSTITUENCY

<b>SIGNED:</b> .....
<b>NAME IN CAPITALS:</b> .....
<b>CONSTITUENCY:</b> .....
<b>DATE:</b> .....

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## PROCEEDINGS OF THE COMMITTEE RELATING TO THE REPORT

WEDNESDAY 12 FEBRUARY 2003

Members present:

Sir George Young, in the Chair

Mr Russell Brown	Mr Tom Levitt
Ross Cranston	Mr Andrew Mackay
Mr Andrew Dismore	Mr Kevin McNamara
Mr Michael Jabez Foster	Richard Ottaway
Mr David Heath	Mr Alan Williams

\* \* \*

Draft Report [Complaints against Mr Michael Trend], proposed by the Chairman, brought up and read.

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

Paragraphs 1 to 19 read and agreed to.

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

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

*Ordered*, That the memorandum from the Parliamentary Commissioner for Standards be appended to the Report.

*Ordered*, That the Appendix to the Report be reported to the House.—(*The Chairman.*)

*Ordered*, That the Minutes of Evidence taken before the Committee on 11 February be reported to the House.—(*The Chairman.*)

[Adjourned to a date and time to be fixed by the Chairman.]



# MINUTES OF EVIDENCE

TAKEN BEFORE THE COMMITTEE ON STANDARDS AND PRIVILEGES

TUESDAY 11 FEBRUARY 2003

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Members present:

Sir George Young, in the Chair

Mr Russell Brown  
Ross Cranston  
Mr Andrew Dismore  
Mr Michael Jabez Foster  
Mr Tom Levitt

Mr Kevin McNamara  
Mr Andrew Mackay  
Richard Ottaway  
Mr Alan Williams

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## Examination of Witness

MR MICHAEL TREND, a Member of the House, examined.

### Chairman

1. Good morning, Mr Trend. The Committee is considering a paper from the Commissioner which investigates a complaint against you and it would assist us in coming to a decision if you could answer one or two questions from the Committee. The nub of the issue is your belief that you had a choice, honestly and genuinely held, about the terms of the ACA and your belief that you were able to nominate one of two residences. Can I ask whether at any point you stood back and asked yourself whether it was a legitimate use of the Additional Costs Allowance to meet the costs of your main home?

(*Mr Trend*) No. I had not appreciated the importance of the main home aspect of the Allowance. Indeed I did not appreciate it until I spoke to Mr Cameron in December.

2. Can I turn to the obverse of the question, which is the nomination of the address in London as your main residence. If one looks at the Green Book at the time the certificate was signed, the October 1999 version says this: "The Additional Costs Allowance reimburses Members of Parliament for expenses incurred when staying overnight away from their main home while performing their parliamentary duties. This can be in either London or the constituency." It then goes on to say: "A nomination form must be completed as to which is the address of your main home and whether you will be claiming ACA for London or the constituency. Please let the Fees Office know of any subsequent changes". Now, in November you signed the certificate notifying your main residence as the address in London. When you did that, did you ask yourself whether it was correct to nominate this address as your main residence and then beneath that, consequentially, your intention to claim the ACA from the constituency address?

(*Mr Trend*) I clearly did not. Until I spoke to Mr Cameron, I had not appreciated, I had misunderstood the purpose of the main home, main residence part of the rules.

3. Can I ask a question about a letter you wrote on January 27th. At the end you say, "I never discussed the definition of my main home with the Fees Office at any time, nor was this the purpose of my meeting".

But earlier on in the letter you refer to conversations and you say, "I can say that when I had the conversation about buying my house in Windsor, there would have been absolutely no doubt that the Windsor house was going to be my main residence". It just seems that there is a bit of conflict between those two sentences.

(*Mr Trend*) Well, if I had appreciated the importance of the main residence, main home rule in 1994 when I last discussed this with the Fees Office, I think I would have been alerted to the problem I was making for myself.<sup>1</sup>

4. Would it be fair to say that, throughout this, you have never sought to blame anybody else for what has happened and you accept full responsibility for the sequence of events?

(*Mr Trend*) I accept full responsibility for my own actions and I accept that I made a serious mistake based on a genuine and honest misunderstanding of the rules governing ACA. I did not deliberately set out to make false claims, but I accept that claims were not correct and I would like to apologise unreservedly to the House and to my constituency. This should not have happened.

### Mr Foster

5. Can I just pick up on the fact that you did not have any discussion with anyone about what a main home was or what the definitions were. Did that include colleagues, tearoom gossip, that sort of thing? Did you not get engaged in that sort of discussion as to what was permitted and what was not?

(*Mr Trend*) I honestly do not think I did.

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<sup>1</sup> *Note by witness:* Reading my answer I noticed I did not address the suggestion that there was a conflict in my letter of January 27th. There was no such conflict. The conversation about buying my house in Windsor was not concerned with the 'Definition' of main home for the purposes of ACA. Looking back at it (now that I understand the importance of identifying my main residence) I am in no doubt that the person I was talking to would have known that Windsor was going to be my main home.

11 February 2003]

MR MICHAEL TREND MP

[Continued

**[Mr Foster Cont]**

6. The real purpose of what I wanted to get clear is that you did appreciate, did you, that the Additional Costs Allowance was for additional costs, that it was a reimbursement for expenses you had incurred?

(Mr Trend) I understood it was an allowance certainly. That is the way I recall it being explained.

7. Did it occur to you that it was a reimbursement, something that you must have spent before you could claim it?

(Mr Trend) I think all I can tell you is the way I understood it and I think I understood it more as an allowance than as something for which expenses claims were required because they never were required.

8. The Fees Office never asked you at any time, is that the case, for documentation?

(Mr Trend) That is the case.

9. Did you find that surprising?

(Mr Trend) I do not suppose I did.

10. In practice, you were claiming it in respect of the additional cost of your Windsor home?

(Mr Trend) Yes.

11. What sort of expenses would you have or do you have in respect of your Windsor home? Do you have a mortgage?

(Mr Trend) Yes. That is the part of the conversation in 1994 I remember most clearly. It was strongly flagged up that one had to have the right sort of mortgage and I did not mean to suggest when I wrote that I was getting specific advice from the Fees Office, but they were clear that one sort of mortgage was allowable and other sorts were not, and I took advice from my bank manager about how to get that right.

12. I think you mentioned the difference between an endowment and repayment, the logic being that it may be in your interest to keep the interest payment up rather than reduce it as the years go by. Is that the issue?

(Mr Trend) As I understood it, it was important to have a mortgage which had interest, yes, that you were paying the interest.

13. You understood then, did you, that the Additional Costs Allowance was limited to the payment of the interest rather than the capital?

(Mr Trend) That is what I had clearly understood.

14. Are you able to remember now how much your interest payments were back in 1994?

(Mr Trend) No. I have tried to discover, but I think I could be clear that they were higher—

15. Than you were claiming?

(Mr Trend)—than I was claiming, yes. I am sure that is the case.

16. Did you increase your interest payments over the years, except through rate changes and so on? Did you borrow more money?

(Mr Trend) In 1992 I did.

17. In 1992?

(Mr Trend) No, sorry, 2002, I beg your pardon.

18. So in 2002 you increased it?

(Mr Trend) Yes.

19. Was the amount you paid in interest prior to 2002, say, in 2000, let's take 2000, was that more or less than the allowance you were claiming for mortgage payments?

(Mr Trend) I could not give you an honest answer on that, but my impression is that it was still being, the interest was still being included, and I have tried to check this. In fact somebody is trying to check it for me now.

20. So you do not know the answer to that?

(Mr Trend) I do not know the answer to that.

21. So when you made your monthly claims, did you have in mind the amount of your interest payments because I think you said that was a factor?

(Mr Trend) I think that is a reasonable question. I think in the back of my mind was always the thought that having been careful about setting up the mortgage, I should be careful that the claim did not exceed the interest, although I had understood originally that if it did, one could claim other expenses, so I felt, I do not know what the right word is, that there was some room.

22. I was just going to come on to that. So there would be other costs other than mortgage interest?

(Mr Trend) Yes.

23. For example, rates and council tax?

(Mr Trend) Yes, and I think at that stage I would have checked to be absolutely sure.

24. But, in summary, are you telling us that you believed for the greater part of the time, if not all, that your interest payments at least up to 2002 before you increased your mortgage still exceeded the amount you were claiming?

(Mr Trend) I wish I had thought about it that carefully, but that was the general impression I had, yes.

### Mr Cranston

25. I just want to ask you some questions about the place you stayed at in London, not about where it was, except that it was in London, but I understand from the Commissioner that it was the whole floor of a house or a flat.

(Mr Trend) Yes, a house.

26. Did you have exclusive use of that?

(Mr Trend) Indeed. That in a sense, and I am not trying to play with words, but it is why I regard it as my London home. My gear and possessions are there, I come and go as I please and there is no need to ask anyone else.

27. So it is a sort of bedsit then?

(Mr Trend) I suppose so. There are a number of rooms, but I only really occupy one of them and the bathroom.

28. And no one else is on that floor, as it were?

(Mr Trend) That is right.

29. Could I ask you about the period after 1997. Before 1997 you were a PPS and in London frequently, but after 1997 you ceased to be a PPS, so perhaps we could look at those three years, say, from 1997 to 2000. How regularly, and you may need to

11 February 2003]

MR MICHAEL TREND MP

[Continued

**[Mr Cranston Cont]**

break it down to when Parliament was sitting and when Parliament was not sitting, but did you ever use it when Parliament was not sitting?

(Mr Trend) The family went up occasionally, but no, not as a rule, no.

30. What about when Parliament was sitting?

(Mr Trend) I have characterised this as well as I could and I have clearly thought very long about this, but the phrase I used in my letter is that originally I stayed frequently, then less often and then rarely. I have tried very hard to think, and I cannot, about nights and whether I can look back and try and remember. I think I would end up with a false figure. This is a rough way of expressing it, but I think it accurately reflects it. During the first part, there was all the Maastricht business, all the difficult votes with the Government losing its majority and we were immensely conscientious and there were some very late nights and that is when it was impossible. I was, as you say, a PPS and I was also the Deputy Chairman of my Party and that went on for a year after the election. Then I was a Front Bench Spokesman for a couple of years. I would say a big change came in three years into the last, well, not a big change, but about three years into the last Parliament.

31. So when—about 2000?

(Mr Trend) About 2000, yes.

32. You were on the Front Bench from 1997, were you?

(Mr Trend) Yes, as Europe and then Pensions Spokesman.

33. So from 1997 to 2000.

(Mr Trend) From 1998 to 2000. I remained the Deputy Chairman until 1998 and then I had a year of Europe and a year of Pensions and then I asked to come off the Front Bench and then I was asked to do the International Office.

34. So all you can say is that you used it less often?

(Mr Trend) Yes.

35. But in those years of 1997 to 2000 I guess there were late nights Monday, Tuesday, Wednesday and Thursday in terms of how Parliament operated at that time?

(Mr Trend) Yes, and I doubt I was here ever on the Thursday nights, but I cannot be precise and I would not wish to mislead you.

36. And then you say that it was not 2000, but really 2001 after the election and then after 2001 that it became rarely. Is that correct?

(Mr Trend) Yes. I think it is more that the graph would be like a wedge.

37. And what about now?

(Mr Trend) Hardly at all. I have been there once since Christmas.<sup>2</sup>

38. Could I just ask you whether you made any payments for the use of that floor?

(Mr Trend) I offered to pay rent and my friend did not wish me to. I offered twice and I had the normal living expenses one would have.

39. But otherwise you did not pay?

(Mr Trend) No. It sounds so ridiculous, but I would take him out to dinner. We were friends.

**Mr Dismore**

40. A floor in a house in that location is going to be worth a lot of money to rent and if you were not paying rent for it, did you consider that it might be a benefit in kind which you ought to register on the Register of Members' Interests? It must be worth at least £1000 a week.

(Mr Trend) No, I did not consider it. I did not consider it until now.

**Chairman**

41. I am sorry, Mr Trend, but we are finding it difficult to hear.

(Mr Trend) I did not consider that. It is the first time I have considered it at all.

**Mr McNamara**

42. When did you first discover that *The Mail on Sunday* were making enquiries about this?

(Mr Trend) Two days before they published, on the 13th December. I was taking a party of Mongolian parliamentarians out to lunch in Windsor for the Foreign Office and I went home to find a reporter and a cameraman on my doorstep at about teatime.

43. Did you not at any time think it was rather strange that an allowance in addition to your salary was paying for your accommodation in Windsor, for your domestic home?

(Mr Trend) I wish I had, Mr McNamara, but I did not. I accept I made a mistake, a serious mistake, and that is the nature of it.

**Mr Dismore**

44. I am not saying it is registrable or not and I think that is something we might need to check, but I think we will need to know a little bit more about the friend. I am not asking for his name or anything, but do you have any business connections with him or anything like that?

(Mr Trend) None whatsoever. I have been frank, I hope, with the Commissioner and with Mr Cameron.

45. This is purely a personal friendship?

(Mr Trend) Yes.

46. There are no business connections and nothing to do with your work in the House?

(Mr Trend) None whatsoever.

**Chairman**

47. Are there any more questions the Committee want to put to Mr Trend? No. Mr Trend, is there anything you want to say to the Committee?

(Mr Trend) No.

**Chairman:** Thank you very much for coming along. We will conclude our deliberations as soon as we can. Thank you very much.

<sup>2</sup> Note by witness: Since the middle of December.

# LIST OF REPORTS FROM THE COMMITTEE IN THE PRESENT PARLIAMENT

## SESSION 2001–02

**First Report:** Complaint against Mr Geoffrey Robinson: Supplementary Report (HC 297).  
Published 24 October 2001.

**Second Report:** Complaint against Mr Roy Beggs (HC 319).  
Published 31 October 2001.

**Third Report:** Complaint against Mr John Maxton (HC 320).  
Published 31 October 2001.

**Fourth Report:** Restrictions on the Initiation of Parliamentary Proceedings: A Consultation Paper (HC 478).  
Published 19 December 2001.

**Fifth Report:** Complaints against Mr Keith Vaz (HC 605–I–II)  
Volumes I and II published 8 February 2002.

**Sixth Report:** Registration of Interests by Members who have not taken their seat (HC 624)  
Published 13 February 2002.

**Seventh Report:** Complaints against Mr Nigel Griffiths (HC 625)  
Published 13 February 2002.

**Eighth Report:** Complaints against Mr Archy Kirkwood (HC 755)  
Published 24 April 2002.

**Ninth Report:** A new Code of Conduct and Guide to the Rules (HC 763)  
Published 30 April 2002.

**Tenth Report:** Complaint against Mr Peter Brooke (HC 1147)  
Published 24 July 2002.

**Minutes of Proceedings 2001–02** (HC 1336)  
Published 31 January 2003.

## SESSION 2002–03

**First Report:** Complaint against Mr Nigel Griffiths (HC 195).  
Published 18 December 2002.

**Second Report:** Eighth Report of the Committee on Standards in Public Life: “Standards of Conduct in the House of Commons” (HC 403)  
Published 11 February 2003.

**Third Report:** Complaints against Mr Michael Trend (HC 435)  
Published 13 February 2003.





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ISBN 0 215 00827 8