



House of Commons
Committee on
Standards and Privileges

**Conduct of Mr Mark
Lancaster**

Eighth Report of Session 2005–06

*Report and Appendix, together with formal
minutes*

*Ordered by The House of Commons
to be printed 23 May 2006*

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)
Rt Hon Kevin Barron MP (*Labour, Rother Valley*)
Rt Hon David Curry MP (*Conservative, Skipton & Ripon*)
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Mr Chris Mullin MP (*Labour, Sunderland South*)
The Hon Nicholas Soames MP (*Conservative, Mid Sussex*)
Dr Alan Whitehead MP (*Labour, Southampton Test*)

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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/sandp. A list of Reports of the Committee in the present Parliament is at the back of this volume.

Committee staff

The current staff of the Committee are Dr Christopher Ward (Clerk), Miss Libby Preston (Second Clerk) and Miss Michelle Owens (Secretary).

Contacts

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Conduct of Mr Mark Lancaster

1. We have received a memorandum from the Parliamentary Commissioner for Standards regarding a complaint made by Mr Richard Beauchamp, Bursar of Radley College, against Mr Mark Lancaster, Member for Milton Keynes North East. Mr Beauchamp had received a letter on Mr Lancaster's headed Commons notepaper, signed by the Managing Director of XPro Services Limited, inviting him to a conference at the House of Commons on the theme of how technology systems could assist in expenditure control in independent schools. Also included with the invitation was information on a business software product marketed by XPro Services Limited to assist the tracking of financial documents and budgetary control. The Commissioner's memorandum is reproduced as an Appendix to this report.
2. In the event, the conference never took place as Mr Lancaster cancelled it once he became aware of the complaint. He has also co-operated throughout with the Commissioner's inquiry and we have shown him a copy of the Commissioner's memorandum.
3. **We agree with the Commissioner that Mr Beauchamp's complaint that House of Commons stationery was misused to send out the invitations to the proposed conference should be upheld. Mr Lancaster should not have allowed his stationery to be used for this purpose.**
4. We accept, though, that Mr Lancaster did not deliberately set out to breach the rules of the House either in this respect or in sponsoring the proposed conference: as the Commissioner put it "the story appears to be one of enthusiasm, relative inexperience and confused communication".¹ Both we and the Commissioner might have taken a different view had the case involved a more experienced Member.
5. Although not the direct subject of the complaint, we also agree with the Commissioner that it would have been inappropriate for Mr Lancaster to have used House facilities for the proposed conference, given its clear business focus. He therefore acted correctly in cancelling it. **We take this opportunity to remind Members once again that they must be scrupulous in observing the rules laid down to protect the name and the reputation of the House from commercial exploitation.**
6. At the heart of this case lies, as the Commissioner says, a lack of common understanding between Mr Lancaster and his assistant, on the one hand, and the Department of the Serjeant at Arms, on the other, as to the thrust of the advice he was given as to the nature of the functions for which Members may use House facilities. Had this misunderstanding not occurred, Mr Lancaster would have appreciated in advance that it would be wrong to use House facilities in the way he intended. The situation which gave rise to the complaint would not then have arisen.

1 Appendix, para. 33.

7. It must remain the primary responsibility of Members to ensure that private activities they promote in the House fall within the scope of the relevant rules, and to seek advice if they are in any doubt. This is particularly important in the early stages of a new Parliament, when there are typically many new Members, and a disproportionate number of Members' staff who are inexperienced.

Appendix: Memorandum from the Parliamentary Commissioner for Standards

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Complaint against Mr Mark Lancaster

The Complaint

1. On 6 March 2006 I received a note from the Bursar of Radley College, Mr Richard Beauchamp, enclosing a letter dated 13 February he and other Bursars of independent schools had received from the Managing Director of Xpro Services Ltd, Mr John McIntyre, inviting them to “a special blue-sky conference for Budget and Spend control in the Senior Independent School sector.” The conference was to be held in the Palace of Westminster on 16 March, and to be followed by “a hosted tour of the Palace of Westminster and light refreshments.”

2. The letter said that the conference was being hosted by Xpro Services Ltd (‘Xpro’) and Kodak “in conjunction with the Honourable Mark Lancaster MP”. The core of the discussion at the conference:

“ . . . will be based on how technology systems can assist in controlling your spend across the whole school. The Gershon report aims at reducing cost in [the] State sector by imposing central buying, but it does not address the efficiency of the operation.”

The letter also covered two other documents: an invitation to the conference on Xpro paper and a sales leaflet introducing ‘Xpurchase’, a piece of business software produced by Xpro designed to assist the tracking of financial documents and budgetary control.

3. The letter from Mr John McIntyre (a facsimile of which is at WE1) was reproduced on Mr Lancaster’s House of Commons stationery. In his note to me Mr Beauchamp asked:

“Surely commercial organisations should not be permitted to write and sign House of Commons notepaper?”

4. The Speaker’s Office also received at around the same time a letter from another school bursar raising a similar query. That letter was forwarded to me. I then wrote to both bursars asking them to say whether they wished me to treat their letters as a complaint. Mr Beauchamp replied saying that, in the circumstances, he felt it was appropriate for me to treat his original enquiry as a complaint. The other bursar said that he did not wish to make a specific complaint but did wish to reiterate:

“ . . . my query concerning the appropriateness, in relation to the House of Commons Code of Conduct and Associated Rules, for blatantly obvious sales material to be printed on, what appears to be, a letter from a Member of Parliament.”

He added that his secretary had assured him that the invitation addressed to him about the conference had been received in an envelope franked in the House, though it was possible that the postage had been reimbursed by Xpro.

Relevant Provisions of the Code of Conduct and Rules of the House

5. Paragraph 14 of the Code of Conduct approved by the House on 13 July 2005 provides that:

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

6. Several sets of rules of the House are potentially applicable to the present complaint:-

a) **The Stationery and Postage Rules**—approved by Mr Speaker on the advice of the Administration Committee provide that:

- i) Original House stationery and envelopes cannot be used for “business or commercial correspondence.”
- ii) The Crowned Portcullis emblem (which was reproduced in the letterhead of Mr John McIntyre’s letter):

“should only be used for appropriate purposes and not when it might be wrongly regarded or represented as carrying the authority of the House when this is not the case.”

b) **The Rules on Room Bookings**—approved by Mr Speaker and administered by the Serjeant at Arms provide that conference, meeting and other rooms can be booked:

“For purposes connected to the Parliamentary duties of the Member booking the room, or relevant to the work of Parliament. This . . . excludes events of a commercial nature or any other non-Parliamentary purpose.”

c) In addition it is clear from, for example, the **Banqueting Regulations**¹ approved by the Catering Committee that the catering facilities of the House are not to be used for commercial purposes.

My Inquiries

7. On 16 March I wrote to Mr Lancaster inviting his response to Mr Beauchamp’s complaint. My letter is at WE2. I set out the key issue as follows:

“Considering the content of the letter of invitation, and the material sent with it—which included a leaflet (a copy of which I enclose) advertising a product, “Xpurchase”, of Xpro and other information about the company—it appears that the purpose of the conference on 16 March is essentially business or commercial in character.

¹ See, for example, paragraph 5.4 of the Banqueting Regulations, which states in relation to private dining rooms; “No commercial presentation, promotion or demonstration is permitted.”

You will know that the use of the facilities of the House for a commercial purpose is not permitted. The Committee on Standards and Privileges made this very clear in its reports on the conduct of Mr Jonathan Sayeed (Third Report of Session 2004-05, HC 233) and Mr Tony Baldry (Third Report of Session 2005-06, HC 421).

Specifically:

The Rules on booking rooms make clear that they can be booked for purposes connected to the Parliamentary duties of the Member booking the room. This excludes “events of a commercial nature.”

The Rules on the use of stationery, post-paid envelopes and the Portcullis device state that they cannot be used for a business or commercial purpose.”

8. I asked Mr Lancaster to explain the nature of the arrangements for the Conference, including how it was that the Managing Director of Xpro had come to sign letters of invitation to it on Mr Lancaster’s House of Commons headed stationery.

Mr Lancaster’s Explanation

9. Mr Lancaster acknowledged my letter on 17 March, saying that on learning from the complainant during the previous week that a complaint had been made to me, he had decided to cancel the event pending my investigation. In a letter dated 21 March (the text of which (without the enclosures) is at WE3), Mr Lancaster said that the idea for the conference had been put to him by Mr Andrew McIntyre (Business Solutions Manager of Xpro) at one of his constituency surgeries. Mr McIntyre had asked if it would be possible to hold the conference at the House of Commons.

(1) Intended use of a room at the House

10. Mr Lancaster, anxious to support business in his constituency, had sought advice on the point, both himself and through his research assistant, from the office of the Serjeant at Arms. Mr Lancaster’s and his research assistant’s understanding of the advice given was that, providing there was to be no commercial selling of a product, it would be possible to hold the conference at the House. Mr McIntyre had been told that, providing this condition was met, Mr Lancaster would host the conference.

(2) Use of House Stationery

11. Mr Lancaster said that he knew his research assistant had booked a room for the conference but he had not seen, before it went out, Mr John McIntyre’s letter of 13 February (WE1) informing independent school bursars of the event and covering a formal invitation to it from Xpro. He had intended to see the draft of any invitation, but this had not happened. Mr Lancaster’s research assistant had given Mr Andrew McIntyre one sheet of Mr Lancaster’s House of Commons notepaper, which Mr McIntyre had subsequently scanned and reproduced at his company’s expense to write to the bursars. The research assistant had seen the House’s portcullis device used on invitations from Members to other events and had assumed that it was ‘perfectly normal’ for Xpro to reproduce the portcullis device and Mr Lancaster’s name on a card invitation to the planned conference. He had

not, however, expected Xpro simply to copy Mr Lancaster's House notepaper when issuing the invitation. The cost of the paper, envelopes and postage used, as with the other costs of the event, had all fallen on Xpro.

(3) Tour of the House

12. Mr Lancaster said that neither he nor his research assistant had been aware of any intention to offer those attending the conference a 'tour of the House' until they had seen the copy of Mr John McIntyre's letter supplied by my office. No tour of the House had been booked, nor had either Mr Lancaster or his research assistant intended to conduct one.

13. Mr Lancaster confirmed in his letter that he did not have any financial involvement with Xpro Services Limited. Mr Lancaster's account of what had happened was endorsed by his research assistant.

Evidence of Mr Andrew McIntyre

14. With his letter of 21 March Mr Lancaster forwarded an e-mail from Mr Andrew McIntyre and I subsequently spoke to Mr McIntyre at some length about what had happened. The text of the e-mail is at WE4 and the note I made of our conversation at WE 5.

15. Mr McIntyre essentially confirmed the information given by Mr Lancaster. Xpro was a small family business, partly based in Mr Lancaster's constituency. Mr McIntyre had identified the independent schools sector as a possible new market for its product, Xpurchase (although the product would need to be modified for use in that sector). It had conceived the conference as a way of gathering information on the needs of and making contacts in that sector, with a view to assessing business development prospects and, if the assessment was favourable, facilitating the company's entry into the sector.

16. He had thought of seeking Mr Lancaster's help in organising the conference and, when the possibility of staging the event at the Palace of Westminster had come up in conversation with Mr Lancaster's constituency office, had subsequently pressed Mr Lancaster to host the conference at the House. Mr Lancaster's research assistant had subsequently booked a room at the House, after enquiring of the Serjeant at Arms' office.

17. Mr McIntyre told me that he had been given a piece of Mr Lancaster's House stationery by Mr Lancaster's research assistant. No restrictions about its use had been mentioned, probably because no one involved had thought its use would be improper. Mr Lancaster had not seen the letter of 13 February (WE1) before it was dispatched simply because, following a room change, there had been very little time in which to dispatch the invitations to the event.

18. The hosted 'tour' referred to in the letter had not been an official tour but simply the offering of an explanation of what people attending the conference were seeing as they were escorted from the St Stephen's entrance of the Palace to the room in which the conference was to be held.

19. Mr McIntyre said that all the costs of the event had been borne by Xpro. Its cancellation had cost his small company dearly. He would be concerned, however, if Mr Lancaster were also to suffer because of the complaint made about it. He was confident that in agreeing to host the conference, Mr Lancaster had simply been trying, for the best of reasons, to assist the development of a small firm in his constituency.

Comments of the Serjeant at Arms

20. I invited the views of the Serjeant at Arms both on the complaint and on Mr Lancaster's statement (supported by his research assistant) that both he and his research assistant had sought advice about the conference from the Serjeant's office and believed that, in proceeding, they were acting in accordance with that advice.

21. I quote the Serjeant's reply:

"After some detailed investigation, I have discovered that a member of Mr Lancaster's staff did seek advice over the telephone and then in person from the Office Manager about using the Portcullis insignia and about using House facilities for this particular conference. I cannot confirm exactly what was said but I can confirm that room bookings can be made by Members when they are hosting some political or not for profit event in the House. Moreover Members, when hosting events in one of the banqueting areas in the House very often, and with my agreement, put the Portcullis insignia on top of the invitation card. Such practice is common and I see nothing untoward in the two examples provided by Mr Lancaster. However there is a very clear line between not for profit and commercial events. Hence this is why book launches are a good example to give to those who make such enquiries. When the book launch is parliamentary it is allowed However last year [Mr X] was made to cancel a proposed book launch in Portcullis House because it was launching a book on Iraq which was neither parliamentary nor political. In summary, I believe the advice that was given by the Office Manager was both helpful, accurate and an appropriate answer to the question that she thought that she was being posed with by the researcher."

"It is in my view not normal practice for organisers of the conference to scan Members' printed Commons stationery into their system. As you know, we guard the use of the Portcullis insignia carefully so that it is not used in a commercial way that perhaps was the case in this conference organised by X-Pro Services Ltd."

"I believe that Mr Lancaster made the right call when cancelling this conference. The style of the invitation was inappropriate, the tour was not on any Line of Route, and the Banqueting facilities here are not intended to be used for commercial purposes."

Further Observations by Mr Lancaster

22. I shared the Serjeant's reply with Mr Lancaster following the Easter recess. Mr Lancaster responded immediately suggesting that whilst the reply had helpfully clarified the position, the advice given to his research assistant had not been so clear cut. He

reiterated his understanding that there would have been no commercial activity at the event. Had he seen in advance the letter of 13 February sent out by Xpro, it would not have gone out. He concluded:

“I am clearly embarrassed by the whole affair and it is a stark warning to new Members like myself that enthusiastic constituents need to be treated with great caution.”

“Clearly ignorance is no excuse but as a new Member trying to genuinely act in the interests of my constituency this, like so many other areas of parliamentary life, has been a steep learning curve.”

The text of Mr Lancaster’s response is at WE6.

Findings of Fact

23. In February 2006, bursars of independent schools were invited to attend a conference at the Palace of Westminster hosted by Mr Mark Lancaster on behalf of Xpro Services Limited. The conference was conceived by Xpro as an opportunity to learn more about the budget and spend control needs of independent schools and to develop contacts, as a basis for deciding whether to expand their business into that sector.

24. Sometime prior to the dispatch of invitations to the conference, Mr Lancaster had been approached by Mr Andrew McIntyre of Xpro and asked if it would be possible for the conference to take place at the Palace. Mr Lancaster’s research assistant made enquiries of the Department of the Serjeant at Arms. Mr Lancaster and his research assistant understood the advice given to mean that, since they understood from Mr McIntyre that there would be no actual selling of a commercial product at the event, it was acceptable to proceed as he had asked. The Serjeant is of the opinion, from enquiries he has made of his staff, that this was a misunderstanding of the advice his Department had given.

25. Although the formal invitation to the event sent to bursars was reproduced on Xpro paper, it was covered by a letter signed by the Managing Director of the company which carried the heading of Mr Lancaster’s official House of Commons stationery, including the House’s portcullis insignia. Mr Lancaster’s research assistant had given Mr Andrew McIntyre one sheet of that stationery so that he could reproduce the portcullis device, but did not expect the letter heading as a whole to be copied. Mr McIntyre says that he was not aware of any such restriction on how he used the stationery. Mr Lancaster did not see the letter before it was dispatched.

26. The letter referred to participants in the conference being given light refreshments and a ‘hosted tour’ of the Palace. According to Mr McIntyre, no more was intended by way of a tour than a description of the parts of the Palace participants were passing through as they were escorted from the St Stephen’s entrance to the conference room.

27. Mr Lancaster says, and Mr McIntyre confirms, that he did not himself have any financial interest in Xpro or the conference. His motive was simply to help a small company in his constituency. Once Mr Lancaster heard that it had been the subject of a complaint, he cancelled the event. Xpro carried the costs of the conference (including reproducing and mailing the letter of 13 February) and of its cancellation.

Conclusions

28. It is clear from the various Rules of the House to which I have referred in paragraph 6 above that original House stationery, the crowned portcullis emblem, and conference and meeting rooms in the House are provided to assist Members in discharging their Parliamentary duties. They must not be used for a business or commercial purpose. Neither must the catering facilities of the House. This position has been reiterated by the Committee on Standards and Privileges in a number of previous reports, including its Third Report of Session 2004-05 (HC 233) and its Third Report of the current Session (HC 421).

29. Was the conference arranged by Xpro and to be hosted by Mr Lancaster on 16 March (and subsequently cancelled) an event with a business or commercial purpose? Mr Andrew McIntyre assured Mr Lancaster that it would not involve selling a commercial product and Mr Lancaster believed therefore that it was acceptable for it to take place at the House. However, it is clear from Mr McIntyre's account of the genesis of his initiative for the conference that one of its purposes (the main one from Xpro's point of view) was to assess the opportunities for expanding the company's business into the independent school sector. To this extent the conference, while not specifically aimed at selling a commercial product, nevertheless had a clear business or commercial purpose.

30. The impression of the business purpose of the conference was heightened by the inclusion of a leaflet promoting one of Xpro's products, Xpurchase, with Mr John McIntyre's letter to independent school bursars of 13 February. It is clear from the reaction of Mr Beauchamp and at least one other independent school bursar to the letter (see paragraph 4 above) that, when coupled with the terms of the letter itself, the effect on at least some of the letter's recipients was to imply that the facilities of the House were being used for a commercial objective.

31. House stationery supplied to Members is certainly not intended for use by others unconnected with the House. It seems that Mr Lancaster's research assistant passed a single sheet of Mr Lancaster's headed paper to Mr Andrew McIntyre intending that Xpro use it solely as a means of reproducing the Portcullis insignia and Mr Lancaster's name on a separate card invitation to the conference. Mr Lancaster says that had he seen that Xpro had simply copied and used it as the stationery on which it wrote to bursars inviting them to the event, he would have intervened to prevent its use in this way. However, he did not see the text of Xpro's letter of 13 February before it was dispatched. Mr McIntyre explained that time was tight and he was not told of any restrictions on the use of the notepaper when it was handed to him.

32. Just as there was, it appears, a lack of clarity about the intended use of the stationery, so too there was a lack of shared understanding between Xpro and Mr Lancaster's office about the purported 'tour' of the Palace to be offered to participants in the conference. Most seriously, and at the root of what happened, there was the complete lack of a common understanding between Mr Lancaster and his research assistant on the one hand, and the Department of the Serjeant at Arms on the other, about whether it was appropriate for the proposed conference to be held in the House at all. Mr Lancaster understood that, provided there was to be no selling of a particular product (and Mr Andrew McIntyre had assured him there would not be), the use of the meeting rooms and other facilities of the

House would be acceptable. On the basis of inquiries he has made about the advice given by his staff, the Serjeant at Arms believes that this advice was consistent with that regularly given by his Department, viz that any event with a commercial and not a Parliamentary purpose (whether or not it involved the selling of a particular product) would have been inappropriate.

33. Mr Lancaster is a new Member of the House (first elected in 2005) and I understand that his research assistant has even less experience in the Palace of Westminster. Mr Lancaster says that he has no financial interest in Xpro and I believe he was genuinely motivated by a wish to help a small firm in his constituency. When he was made aware of Mr Beauchamp's complaint, he immediately cancelled the proposed conference, at some cost to Xpro. The story appears to be one of enthusiasm, relative inexperience and confused communication, as I have outlined above, and I have seen no evidence to suggest that Mr Lancaster deliberately set out to break the House's rules in this respect.

34. These are matters which the Committee will no doubt wish to have in mind when it evaluates the case as a whole. Against the background of the Rules of the House which I have earlier described (paragraph 6 above) I am in no doubt, however, that given the commercial purpose of the conference in the mind of its originator, Mr Andrew McIntyre, it would not have been appropriate for it to be staged in the House. I agree with the Serjeant at Arms that Mr Lancaster acted correctly in cancelling it.

35. Nor was it appropriate for the Managing Director of Xpro to write to independent school bursars about the conference on Mr Lancaster's headed House letter paper. ***I therefore recommend that Mr Beauchamp's complaint against Mr Lancaster concerning the correspondence he received from Xpro be upheld.***

18 May 2006

Sir Philip Mawer

Written evidence received by the Parliamentary Commissioner for Standards

1. Letter to Mr R Beauchamp from Mr John McIntyre,

MARK LANCASTER TD MP



HOUSE OF COMMONS

LONDON SW1A 0AA

020 7219 8414

Mr R Beauchamp
Bursar
Radley College
Abingdon,
Oxfordshire
OX13 5NX

13 February 2006

Dear Mr Beauchamp,

In conjunction with The Honourable Mark Lancaster MP, Xpro Services and Kodak are pleased to host a special blue-sky conference/discussion for Budget and Spend control in the Senior Independent School sector. The audience will comprise of only Bursars and assistant Finance Managers

The core of the discussion will be based on how technology systems can assist in controlling your spend across the whole school. The Gershon report aims at reducing cost in State sector by imposing central buying but it does not address the efficiency of the operation.

Please find enclosed your invitation that requires you to RSVP as soon as possible to enable the security services to be informed of attendees and non-attendees. Should you wish to include a colleague please inform me and I will arrange an invitation as appropriate.

When you attend can you please bring the invitation plus photo ID. The meeting will be in:

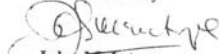
Committee Room 14
Palace of Westminster
(St Stephen's Gate)

The conference is at 1.30 pm for a scheduled 2pm start on Thursday March 16th and will last approximately 2 hours followed by a hosted tour of the Palace of Westminster and light refreshments.

Please RSVP by FAX to 0118 941 8482 or email to Conference@xpro-services.co.uk

Should you require any additional information please do not hesitate in contacting Andrew McIntyre or myself at any time.

Yours sincerely


John McIntyre
Managing Director
Xpro Services Ltd

2. Letter to Mr Mark Lancaster from the Commissioner, 16 March 2006

Mr Beauchamp wrote to you on 8 March telling you that he had complained to me following the invitation he received from the Managing Director of Xpro Services Ltd to an event at the Commons on 16 March hosted by you and the company. I have also received a letter from another school bursar expressing similar concerns to those expressed by Mr Beauchamp, though declining to make a formal complaint.

A copy of the letter of invitation received by Mr Beauchamp has already been faxed to you at your own request but I enclose a further copy for ease of reference.² You will see that the event is described as “a special blue-sky conference/discussion for Budget and Spend control in the Senior Independent School Sector . . . The core of the discussion will be based on how technology systems can assist in controlling your spend across the whole school.” The conference will be followed, the invitation says, “by a hosted tour of the Palace of Westminster and light refreshments.”

You will see that the letter, although signed by the Managing Director of Xpro, is on House of Commons stationery and carries your own name and the House’s crowned portcullis emblem at its head. My understanding is that the letter was sent out in envelopes franked in the House of Commons.

Considering the content of the letter of invitation, and the material sent with it – which included a leaflet (a copy of which I enclose)³ advertising a product, “X purchase”, of Xpro and other information about the company – it appears that the purpose of the conference on 16 March is essentially business or commercial in character.

You will know that the use of the facilities of the House for a commercial purpose is not permitted. The Committee on Standards and Privileges made this very clear in its reports on the conduct of Mr Jonathan Sayeed (Third Report of Session 2004-05, HC 233) and Mr Tony Baldry (Third Report of Session 2005-06, HC 421).

Specifically:

1. The Rules on booking rooms make clear that they can be booked for purposes connected to the Parliamentary duties of the Member booking the room. This excludes “events of a commercial nature.”
2. The Rules on the use of stationery, post-paid envelopes and the Portcullis device state that they cannot be used for a business or commercial purpose.

The Code of Conduct for Members approved by the House provides that:

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

I enclose a note which I send all Members who are the subject of a complaint.⁴ In accordance with the procedures it sets out, I shall be grateful if you will let me have your explanation of what has happened.

In that context I shall be grateful to learn:

2 WE1

3 Not appended to the Commissioner’s Report.

4 Not appended to the Commissioner’s Report.

1. How the initiative for the Conference arose?
2. Whether you have any financial interest in Xpro Services Limited?
3. Who was responsible for the preparation and despatch of the letters of invitation? How do you explain that Mr McIntyre signed the letters on your headed stationery? How far were you or your Parliamentary staff involved in the preparation and despatch of the letters, or in the making of other arrangements for the conference such as the booking of rooms, etc?
4. How many invitations were dispatched. Were they sent out in House of Commons envelopes (either post-paid or franked)? Who paid for the postage?
5. Who is to conduct the hosted tour of the Palace which is to follow the conference?
6. Who is meeting the costs of the event?

I am copying this letter to the Serjeant at Arms in view of his responsibilities in respect of the use of the facilities of the House, including stationery. If you want a word, please do not hesitate to get in touch.

Sir Philip Mawer

16 March 2006

3. Letter to the Commissioner from Mr Mark Lancaster, 21 March 2006

Thank you for your letter of the 16 March outlining the complaint made by Mr R Beauchamp regarding a proposed event at the House of Commons due to be held on the same day.

Once I became aware that a complaint had been made by Mr Beauchamp on Monday 13 March I cancelled the event which I confirm did not take place. I would also like to add that I have had business dealing with Mr Beauchamp whilst working for Kimbolton Fireworks Ltd before my election to Parliament in May 2005 and my wife continues to act for Mr Beauchamp through her work as a partner at Farrer and Co. Both these facts I believe to be coincidental to this complaint.

To answer your questions,

1. The idea for the conference arose after Mr Andrew McIntyre attended one of my surgeries in Woburn Sands and asked if it would be possible to hold the conference in the House of Commons Being a new Member and whilst being happy in principle to support local business, I sought advice from the Serjeant at Arms My understanding was that providing there was to be no commercial selling of a product then it would be possible to hold the conference to discuss solutions for the sector. My office confirmed with Mr McIntyre that providing these conditions were met I would be prepared to host the conference The high acceptance rate to the conference (60%) implied to me that it was a genuine effort to address a serious problem in the independent schools sector.
2. I have no financial interest in Xpro Services Limited, nor have either I or my constituency association ever received, or were due to receive any form of payment from the company.
3. I had no personal involvement in the preparation of the covering letter or invitation. The first time I saw a copy of the covering letter for the invitation was when your office faxed me a copy on the 13 March. It was my intention to see a copy of any invitation before it was sent out but this did not happen, I can only assume it was a breakdown of communication between my office and Mr McIntyre. Mr McIntyre visited my office in February, I understand that at this time my research assistant gave Mr McIntyre one sheet of my headed paper Mr McIntyre then scanned the letterhead and subsequently used the scanned image to print the covering letter onto plain paper that he purchased at his own cost. The actual invitation, (a copy of which is attached) makes no use of the House of Commons and is clearly from Xpro Services Ltd. Having received several invitations to House of Commons events where the portcullis and members name were used, (example attached) my research assistant assumed that this was perfectly normal, but knew that original House of Commons stationery could not be used, which is why he thought this had to be printed on Xpro Services

stationery as it was.

Whilst I had no involvement personally in the booking of the room, I was aware that a room had been booked by my research assistant.

I am assured that the 100 invitations were not sent out in House of Commons paid stationery and that the paper, envelopes and postage costs were supplied and paid by Expo Services Ltd.

The first time I was aware that there were any plans to hold a tour of the House of Commons was when I saw it on the invitation supplied by your office. I am assured that this had never been discussed or agreed with Expo Services Ltd. No tour had been booked, nor had either my research assistant or I intended to conduct a tour.

All costs for the event were to be paid by Expo Services Ltd.

I attach a copy of a letter from Mr Andrew McIntyre confirming his actions.⁵

I hope the above clarifies the situation, please do not hesitate to contact me if I can provide any more information.

Mr Mark Lancaster MP

21 March 2006

4. E-mail from Mr Andrew McIntyre to Mr Mark Lancaster 21 March 2006

Following our conversation earlier I have attached the invite that was sent out with the initial letter. To clarify some points.

- The tour that was mentioned was the movement of the delegates from St Stephen's Entrance through Lobby and into Committee Room 14. We were planning to explain the History of the walk with handouts for the way out, after the event. We had done an enormous amount of research into the paintings and statues etc. Much is the power of the web. Jeff was also looking into using the PRU for additional info.
- I did scan the letter head to send out with your name on and not one point was I trying to use your position to sell any product.
- I can confirm that Xpro Services arranged for the print and mail of the invites on Xpro Headed paper along with Product literature. Please see attached.

If you have any other queries please do let me know.

Mr Andrew McIntyre

21 March 2006

5. Note of telephone conversation between Mr Andrew McIntyre and the Commissioner, 25 April 2006

Mr Andrew McIntyre (Business Solutions Manager of Xpro Services Ltd) telephoned in response to my letter of 18 April.

Explaining the context of his involvement with Mr Lancaster in relation to the planned conference on 16 March, he said that Xpro was a small family business based in Milton Keynes and Reading. Its budget and spend software, X purchase, was used by a number of blue chip companies. The company had identified the

independent schools sector as a possible new market for its product, although the software would need to be adapted for this new purpose.

In the autumn of 2005 it had conceived the idea of holding a conference of bursars from independent schools to assess their needs and gain contacts. The Gershon report provided a possible basis for such an event. The company's office in Woburn Sands was next to one of the venues for Mr Lancaster's surgeries. It had occurred to Mr McIntyre to seek Mr Lancaster's help in mounting the conference and, with this in mind, he had contacted [...] Mr Lancaster's constituency office. Mr McIntyre had not originally thought of staging the event at the Palace of Westminster but this possibility had come up in conversation with Mr Lancaster's office and of course seemed very attractive.

Subsequently, Mr McIntyre had attended one of Mr Lancaster's surgeries and presented his plans. At that meeting Mr McIntyre had pressed Mr Lancaster for the conference to be staged in the House. Mr Lancaster had agreed to do what he could to help. Mr McIntyre had offered to cover all the costs, but Mr Lancaster had said this would not be necessary.

The company had sent out an initial letter about the conference to members of the Independent Schools Bursars' Association in December 2005. Mr McIntyre had met Mr Lancaster's Parliamentary assistant, [...]. [...] had enquired of the Serjeant at Arms' office about the possible use of a room in the House and had subsequently booked a room in Mr Lancaster's name.

Mr McIntyre explained that as part of the preparations for the event, he had discussed with [...] how people attending the event were to be conducted from the St Stephen's Entrance of the Palace to the conference venue in Committee Room 14. They intended to escort people to the venue and on the way to explain the significance of what they saw. There had been talk of obtaining some information on relevant areas of the Palace from the PRU. This was the "hosted tour" referred to in the covering letter of invitation to the event.

As to the purpose and substance of the conference, Mr McIntyre said that from his company's point of view, its aim was to gather information and make contacts, with a view to assessing the prospects for business development in the independent schools sector and possibly to facilitating the company's entry into that sector. The leaflet about Xpurchase sent to participants was intended to illustrate the company's work and credentials. It was not the aim to sell Xpurchase as such, as it was unsuitable for use in independent schools, as well as too expensive for them. But, suitably adapted, the software could well fit the sector's needs. The conference would help the company establish what those needs were, and assess the prospects for future business.

Mr McIntyre said that the presentation prepared for the conference supported his account and agreed to send me a copy of it.

On the use of a piece of Mr Lancaster's House stationery in connection with the letter of 13 February sent with the invitation to the conference, Mr McIntyre said that he had been given one piece of Mr Lancaster's House stationery by [...]. No restrictions about its use had been mentioned, probably because no one involved had thought its use would be improper. Mr McIntyre's firm had paid for the printing and distribution of the letter and related material: House envelopes and postage had not been used. Mr Lancaster had not seen the letter of 13 February before it was despatched simply because, following a room change, there had been very little time in which to get the material out.

Mr McIntyre concluded that the conference had had all the prospects of being a very successful event. Its cancellation had cost his small company an awful lot of money. He would be concerned if Mr Lancaster too were to suffer because of the complaint made to me. He was confident that Mr Lancaster had had no commercial interest himself in the event but was purely trying to help a small firm in his constituency, for the best of reasons.

I thanked Mr McIntyre for his call, and explained that, having received a complaint which prima facie revealed breaches of the House's rules, I was bound to report on it to the Committee on Standards and Privileges. It would be for the Committee to decide whether it agreed that the rules had been breached and, if it did, how serious the matter was. The Committee would take all the circumstances into account, including no doubt (a point confirmed by Mr McIntyre) the relative (Parliamentary) inexperience of everyone involved.

Sir Philip Mawer

25 April 2006

6. Letter to the Commissioner from Mr Lancaster, 19 April 2006

Thank you for your letter of the 18th April regarding the above.

I am grateful to you also for enclosing the letter from The Serjeant at Arms as it has helped clarify the situation here in the office. Whilst I note that he cannot confirm exactly what was said, he does confirm the example of the book launch being used by his staff. This I believe to be the part of the confusion.

The explanation offered by the Serjeant at Arms is crystal clear, made so by the use of two examples of [. . .] and [. . .]. Regrettably having spoken to my researcher these examples were not used by his staff who simply referred to the fact that book launches were acceptable provided there was no commercial activity. This led to an entirely different interpretation of what was meant by the example of a book launch. Whilst I accept that the responsibility is mine, may I simply suggest that in future if the example of a book launch is used that it is qualified as it is in the Serjeant at Arms letter.

I would also like to reiterate that at all times it was my understanding that there would be no commercial activity at the event and it was simply a conference attempting to address an area of concern. As soon as there was any doubt over the legitimacy of the event I cancelled it.

I would also like to confirm that I had made it clear to Expo Services that no communication could be sent to anybody without it coming through my office first for approval and the invitation on my scanned headed paper was sent without my knowledge. Had I seen it it would never have been sent.

I am clearly embarrassed by the whole affair and it is a stark warning to new Members like myself that enthusiastic constituents need to be treated with great caution.

Clearly ignorance is no excuse but as a new Member trying to genuinely act in the interests of my constituency this like so many other areas of parliamentary life has been a steep learning curve.

Mr Mark Lancaster MP

19 April 2006

Formal minutes

Tuesday 23 May 2006

Members present:

Sir George Young, in the Chair

Mr David Curry

Mr Andrew Dismore

Mr Nick Harvey

Mr Brian Jenkins

Mr Elfyn Llwyd

Mr Chris Mullin

Dr Alan Whitehead

The Committee deliberated.

Draft Report [Conduct of Mr Mark Lancaster], proposed by the Chairman, brought up and read.

Ordered, That the Chairman's draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 3 read and agreed to.

Paragraph 4 read, amended and agreed to.

Paragraphs 5 and 6 read and agreed to.

Paragraph 7 read, amended and agreed to.

Resolved, That the Report, as amended, be the Eighth Report of the Committee to the House.

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

A Paper was ordered to be appended to the Report.

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

* * *

[Adjourned till Tuesday 13 June at 10.30 am

Reports from the Committee on Standards and Privileges in the current Parliament

Session 2005–06

First Report	Conduct of Mr Jonathan Sayeed	HC 419
Second Report	Conduct of Mr John Horam	HC 420
Third Report	Conduct of Mr Tony Baldry	HC 421
Fourth Report	Pay for Standing Committee Chairmen	HC 568
Fifth Report	Electoral Administration Bill: Simplification of Reporting Requirements	HC 807
Sixth Report	Mr Stephen Byers (Matter referred on 19 October 2005)	HC 854
Seventh Report	Conduct of Mr George Galloway	HC 1067
Eighth Report	Conduct of Mr Mark Lancaster	HC 1144