



House of Commons
Committee on
Standards and Privileges

**Conduct of Mr Peter
Hain**

Fifth Report of Session 2007-08

*Report and Appendix, together with formal
minutes*

*Ordered by The House of Commons
to be printed 5 February 2008*

HC 324

Published on 6 February 2008
by authority of the House of Commons
London: The Stationery Office Limited
£0.00

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*)
Mr Andrew Dismore MP (*Labour, Hendon*)
Nick Harvey MP (*Liberal Democrat, North Devon*)
Mr Elfyn Llwyd MP (*Plaid Cymru, Meirionnydd Nant Conwy*)
Mr Chris Mullin MP (*Labour, Sunderland South*)
The Hon Nicholas Soames MP (*Conservative, Mid Sussex*)
Mr Paddy Tipping MP (*Labour, Sherwood*)
Dr Alan Whitehead MP (*Labour, Southampton Test*)

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/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), Mr Keith Neary (Second Clerk) and Miss Michelle Owens (Secretary).

Contacts

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Conduct of Mr Peter Hain

1. The Parliamentary Commissioner for Standards has submitted to us a memorandum on the progress to date of his investigation of complaints that the Rt Hon Peter Hain, the Member for Neath, had failed to register in the Register of Members' Interests within the required time limit all the donations he received in respect of his campaign for election as Deputy Leader of the Labour Party. The Commissioner's memorandum is reproduced as an Appendix to this report.

2. The investigation of these complaints has been suspended following the decisions of the Electoral Commission to refer to the Metropolitan Police Mr Hain's failure to report certain donations to them, and of the Metropolitan Police, to begin such an investigation.

3. In 2003, our predecessors, in evidence to the Joint Committee on the draft Corruption Bill, stated that:

“Where the Commissioner becomes aware that police inquiries are in hand in relation to a matter in respect of which he is already investigating a complaint, we would expect him to recommend that his inquiry be suspended at least until the police investigation has been completed and a decision taken on whether to charge the Member.....Other than in exceptional circumstances, we would expect to agree to such a request as a matter of course.”¹

That remains our policy, and we therefore have no hesitation in agreeing with the Commissioner that his investigation into the complaints against Mr Hain, which we understand is still at the preliminary stage, should be suspended for the duration of the police investigation.

4. Our predecessors also expressed concern to the Joint Committee that the proper precedence accorded to criminal proceedings over the disciplinary processes of the House should not unduly delay that process.² We therefore welcome the assurance that the Metropolitan Police have given to the Commissioner that they will carry out their inquiries as expeditiously as possible.³

1 HC 705, Session 2002-03, EV. 174, para. 12. See also the Annual Report of the Parliamentary Commissioner for Standards for 2003-04, HC 716, Session 2003-04.

2 EV. 173, para. 11.

3 Appendix, para. 9.

Appendix: Memorandum from the Parliamentary Commissioner for Standards

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Suspension of Inquiry into the Complaints against the Rt Hon Peter Hain MP

1. This is to inform the Committee of the decision I took on 24 January to suspend my inquiries into the complaints against the Rt Hon Peter Hain following the announcement of the Electoral Commission's reference of his case to the Metropolitan Police.

2. As I informed the Committee on 15 January, I began an investigation into the Rt. Hon. Peter Hain, the Member for Neath, following the receipt of a number of complaints alleging that he had failed to register in the Register of Members' Interests within the required time limit all the donations he received in respect of his campaign for election as the Deputy Leader of the Labour Party.

3. On 10 January, Mr Hain had sent the Registrar of Members' Interests a declaration of further donations, and these appear in the electronic version of the Register issued on 22 January. On 11 January, Mr Hain wrote to me to say that this was a full declaration of all previously undeclared donations. Mr Hain also apologises in these terms: "I would like to apologise to you and to the House for failing to register these donations within the required time limit. This is deeply regrettable and the result of administrative and organisational failures in my campaign, for which I take full responsibility". On the same date, 11 January, I wrote to Mr Hain asking for his response to the complaint I had received. I awaited his reply.

4. The Electoral Commission informed me around noon on 24 January that the Commission had decided to refer to the Metropolitan Police Mr Hain's failure fully to report to the Commission donations he had received for his Labour Party Deputy Leadership campaign. The reference was so that the police could consider whether an investigation should commence. I attach the news release which they issued at that time.

5. I also spoke to the Metropolitan Police. They confirmed that an investigation would now begin. It would be led by detectives from the Specialist and Economic Crime Command.

6. Failure to report to the Commission fully within the required time donations made for an election campaign is an offence under paragraph 12 of Schedule 7 of the Political Parties, Elections and Referendums Act 2000. There is a defence that the donee took all reasonable steps and exercised all due diligence to ensure the legislative requirements were complied with.

7. Having spoken to both the Commission and to the Metropolitan Police, I came to the conclusion that to continue with my inquiries could prejudice the conduct of the police investigation. The issue I was likely to have to ask Mr Hain about would be in the same area as the statutory defence. There is no realistic preparatory work I could do with him or others outside this central aspect of the complaint.

8. Having spoken to the Chairman of the Committee, I issued a statement to the press shortly after 6pm on 24 January announcing that I was suspending my inquiries. I announced that I would review the position once the outcome of the reference to the police was known. A copy of that press statement is attached.

9. The Metropolitan Police have assured me that they will carry out their inquiries as expeditiously as possible to try and reach an early resolution. I will return to consideration of the complaints as soon as I know the outcome.

28 January 2008

John Lyon CB

Annex 1

Statement by the Electoral Commission, 24 January 2008

On 29 November 2007, Peter Hain MP informed the Electoral Commission that he had not fully reported to the Commission donations he had received for his Labour Party deputy leadership campaign.

Mr Hain has since met with the Commission and provided additional information about donations he received. The Electoral Commission has undertaken a thorough review of this information.

Following discussions with the Metropolitan Police Service and the Crown Prosecution Service, the Electoral Commission has now referred matters to the Metropolitan Police for them to consider whether an investigation should commence.

Annex 2

Statement to the Press by the Parliamentary Commissioner for Standards, 24 January 2008

The Parliamentary Commissioner for Standards has decided to suspend his inquiry into complaints that Mr Hain failed to register in the Register of Members' Interests within the time required some of the donations Mr Hain received for his campaign for the Deputy Leadership of the Labour Party.

The decision was made after consultation with the Chairman of the Committee on Standards and Privileges and in the light both of the Electoral Commission's decision to refer matters to the Metropolitan Police for them to consider whether an investigation should commence into Mr Hain not fully reporting the donations to the Commission and of the Metropolitan Police's decision to commence such an investigation.

The Commissioner will review the position once the outcome of the reference to the police is known.

Note to Editors

The Commissioner will be making no further statement on the matter and is not therefore available for interview.

Formal minutes

Extract from Formal minutes relating to declaration of interest

Tuesday 15 January 2008

Mr Elfyn Llwyd declared that, in view of remarks he had made in his capacity as Parliamentary Leader of Plaid Cymru concerning the conduct of the Rt. Hon. Peter Hain, the Member for Neath and Secretary of State for Wales, regarding the reporting and registration of donations to his campaign for election as Deputy Leader of the Labour Party, he would play no part in Committee proceedings relating to any complaint against Mr Hain about this matter.

Tuesday 5 February 2008

Members present:

Sir George Young, in the Chair

David Curry

Mr Andrew Dismore

Nick Harvey

Mr Elfyn Llwyd

Mr Chris Mullin

Mr Paddy Tipping

Mr Elfyn Llwyd withdrew.

Draft Report [Conduct of Mr Peter Hain], 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 4 read and agreed to.

A Paper was ordered to be appended to the Report.

Resolved, That the Report and Appendix be the Fifth Report of the Committee to the House.

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

[Adjourned till Tuesday 19 February at 9.30 am

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

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Seventh Report	Conduct of Mr George Galloway	HC 1067
Eighth Report	Conduct of Mr Mark Lancaster	HC 1144
Ninth Report	Lobbying and All Party Groups	HC 1145
Tenth	Conduct of Mr Michael Foster (Worcester)	HC 1223
Eleventh	Conduct of Ms Emily Thornberry	HC 1367
Twelfth	Conduct of Nadine Dorries	HC 1368
Thirteenth	Conduct of Mr John Prescott	HC 1553

Fourteenth	Conduct of Dr Desmond Turner	HC 1578
Fifteenth	Conduct of Mr Eric Illsley	HC 1579
Sixteenth	Review of the Guide to the Rules Relating to the Conduct of Members: Consultation Document	HC 1580