

Member of Parliament for The Wrekin



Info to be disclosed

Ref: 0304am

3 April 2000

HOUSE OF COMMONS
LONDON SW1A 0AA

Mr Anthony Merifield CBE
Clerk and Secretary
Political Honours Scrutiny Committee
Ceremonial Office
Cabinet Office
70 Whitehall
LONDON
SW1A 2AS

Dear Mr Merifield

Further to my letter of 29 March, I am of course disappointed that the Political Honours Scrutiny Committee has approved William Hague's nomination of Mr Michael Ashcroft for a life peerage.

Moreover, I am, in common with many others, surprised that the Committee should have set an historic precedent by making Mr Ashcroft's peerage conditional on his fulfilling certain undertakings.

I would be grateful for clarification on a number of points.

First, it is reported in *The Times* of 1 April, that the Committee did not after all seek such undertakings but that Mr Ashcroft had volunteered them. Which, if any version of events is the case?

Secondly, if the Committee did seek to impose conditions, what were they?

Third, if the Committee sought to impose conditions, did Mr Ashcroft accept them?

Fourth, what tests has the Committee adopted through which to assess whether or not Mr Ashcroft has fulfilled any of the undertakings which may have been agreed with him?

Fifth, what steps will the Committee be taking to police any agreement reached with Mr Ashcroft?



HOUSE OF COMMONS

LONDON SW1A 0AA

Sixth, what powers does the Committee or any other body have to prevent Mr Ashcroft taking his seat in the House of Lords, should it not be satisfied that he has fulfilled his undertakings?

I look forward to hearing from you as soon as possible.

Yours sincerely

A handwritten signature in black ink, appearing to be 'Paul', written in a cursive style.



CEREMONIAL BRANCH

Sir Anthony Merifield KCVO CB, Ceremonial Officer

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Your Ref: 2903am

Peter Bradley Esq
Member of Parliament
for The Wrekin
House of Commons
London SW1A 0AA

4 April 2000

Dear Mr Bradley,

Thank you for your 29 March letter about the nomination to the Prime Minister, by the Leader of the Conservative Party, of Mr Ashcroft to fill one of the allocation of appointments as a Working Peer on the Conservative Party strength. You will now have seen the Press Notice from the Prime Minister's Office.

It is not the practice for the Political Honours Scrutiny Committee to comment on individual candidates, nor on the advice which the Committee give, in confidence, to the Prime Minister.

A copy of the Press Notice is attached.

Yours sincerely

Anthony Merifield

ANTHONY MERIFIELD

Mr Hague and three nation Toryism

The party's unhealthy reliance on Ashcroft puts its entire electoral strategy at risk 22

Move over, Jim Davidson. Now there's an even more high-profile comedian backing the Tories. Let's give a big welcome to king of the one-liners, self-made millionaire and self-styled "wag", Lord "I was just taking the Michael" Ashcroft. The Conservative Party treasurer exposed a new, lighter, side to his character when he revealed at the weekend that he would seal his elevation to the peerage by taking the title of Lord Ashcroft of Belize.

And why not? We've had Earl Mountbatten of Burma, Viscount Montgomery of Alamein, why shouldn't the man who collects Victoria Crosses ensure that the latest gong he's acquired also has a military ring to it? Let's run this one up the flag of convenience and see who salutes.

But before we had time to get on to the College of Heralds to see what the Caribbean peer's new coat of arms might look like (tax exile rampant holding his party by the coconuts?) we were told by William Hague that it was all "a little joke". Laugh? I never thought I'd start. Was the Tory party leader really asking us to believe that this was all a magnificent spoof, a surreal send-up of the interviewing process by the Tories' own Ali G? Was Mickey A trying to suggest that there was something subtly racist about the Political Honours Scrutiny Committee insisting that a peer of the realm actually live in the nation whose laws he will frame? "You won't make me a lord? Is it cos I is Caribbean?"

Mr Hague certainly has a well-developed sense of humour. He used it to coruscating effect against the Government in his reply to the Budget two weeks ago. So he must be able to see that Mr Ashcroft's comments are not the stuff of good-natured self-deprecation. They convey the authentic whiff of a man who brooks no opposition to his will, and enjoys no check on his arrogance, and they serve to make an already tawdry episode quite ridiculous.

For the voters of Middle England, to whom Mr Hague sought to appeal over the weekend, the abiding memory of the last Tory Government is of an administration embroiled in sleaze, isolated from common-sense morality, at ease with foreign arms dealers and up for hire to corporate interests. The moral dissolution of that Government was lent a tragi-comic edge by the fumbled excuses it offered; the cocksure throwaway line of Neil Hamilton's about placing a biscuit in the Register of Members' Interests, the suggestion by David Willetts that he was using the word "want" in its "18th-century sense" when accused of misrepresenting his dealings with a member of the Commons Privileges Committee.



Michael Gove

The impression created was of a Government without governing purpose, anxious only to keep favoured snouts in close proximity to private troughs, and so contemptuous of the public as to feed it any old swill when exposed to criticism.

One might have thought that any Conservative who

emerged from the wreckage of the 1997 crash would pledge, above all, never to make those mistakes again. Surely they would steer clear of association with figures, such as Lord Archer of Weston-super-Mare, whose talent for fiction rendered all connected with him, literally, incredible. Surely a party determined to make patriotism and tax its salient issues would not have as its paymaster a man, like Michael Ashcroft, who was Ambassador for one foreign country and a tax exile in another? Surely they would jib at relying on such a man once they were told he was the paymaster of a left-wing party in the country whose interests he represented at the United Nations? Surely they would worry that he had used his influence to change the tax regime in that country in a manner which served his own interests but which, according to a Foreign Office memo, would make that country less capable of withstanding criminality?

But no, the Tories, fatally, foolishly, put all their eggs in the Belize basket. They secured the short-term comfort of Mr Ashcroft's tax-sheltered millions, but have paid the price in credibility forgone. How can they now effectively serve the purpose an Opposition should, as the independent, patriotic, scourge of an influence-peddling administration? To paraphrase Rudyard Kipling, once you start taking the danegeld, you never get rid of the stain.

You certainly do not emerge strengthened as an opponent of cronyism by expending what credibility you have acting as the paid lobbyist for your own title-hungry Treasurer. What was Mr Hague doing calling the Prime Minister at the Lisbon summit to intercede for Mr Ashcroft's peerage? How credible is your

attack on "three jets" Blair when you're string-pulling for "three countries" Ashcroft? And how credible is your claim to speak for Middle Britain when your party thinks it's amusing to joke about its reliance on Belize? Never mind Neil Hamilton, when it comes to making light of Parliament's dignity, Michael Ashcroft takes the biscuit.

There is often something disingenuous about those who claim to protest more in sorrow than in anger. But genuine anger and deep sorrow are the only appropriate emotions many mainstream Tories will feel when they see their party's spring conference overshadowed by this avoidable debacle. What is the point in this man's money when it comes, like his peerage, with so many ignominious strings? It inhibits any effective campaign against Labour's corporatist relationship with big business, it revives the ghosts of 1997 and it blunts any assault on Tony Blair's manipulation of patronage. Why wasn't the Conservative Party capable of seeing how much trouble reliance on this one man would cause? Now, it's party. And I'll cry if I wa. J.

michael.gove@the-times.co.uk

Peer pressures

Joining the Upper House is easy – the difficult bit is choosing your title. Just ask the would-be Baron Ashcroft of Belize (right). *Z. G.*
By **Emma Brockes**

It is safe to assume that a statement requiring the suffix “just my little joke” has failed in its aim to amuse. Thus it was when Michael Ashcroft floated the idea of calling himself Baron Ashcroft of Belize last week, as the title for his new appointment to the House of Lords. William Hague’s keen ear instantly divined that people were not laughing with Ashcroft on the matter and swiftly claimed on GMTV that it was just the billionaire financier’s “little joke” – not to be confused with an April Fool, of course, which would have been silly.

For once, however, Ashcroft’s faux pas was at least partly understandable. The free hand given to new peers when choosing their titles is too great a temptation for those whose idea of “naughty behaviour” was firmly set in public school. And it is the new peer’s chief dilemma – which bit of geography to honour by attaching it to his name? Insalubrious birthplace or swanky new locality? A glance down the list of current Lords

members suggests that there are some peculiar factors influencing the process.

First, there is the bathos of titles that sit uncomfortably with the po-faced tenor of the Upper House. Lord Baker of Dorking is a good one, but only because it has the word “dork” in it. Lord Archer of Western-super-Mare is, for reasons other than the risible nature of its holder, an intrinsically funny title because there is something about the camp, shabby seaside town that really suits the House of Lords.

Then there are the titles that leave one unsure of their holders’ meaning. Are they intended as little jokes, or are they the inevitable home goals scored by people whose sense of irony went out in the 1600s, along with their family’s last injection of fresh genes? Is Lord Brabazon of Tara really a fan of Gone with the Wind? Is Lord MacLaurin of Knebworth paying sly tribute to stadium rock? Lord Jauncey of Tullichettle has to be having a laugh, and as for Baroness Young of Old Scone – Old Scone?

There are, of course, rules governing the naming process, but in keeping with the House of Lords they follow a pretty random logic. “You are not allowed a road and there are certain villages that are too obscure to qualify,” says Lord (David) Lipsey, who became a member of the House six months ago.

Lord Lipsey, as the first person in his family tree to enter the peerage, is not officially known by his

full title. He was nonetheless required to choose one. A practical man, he looked no further than his home address – a controversial move when you live in Tooting Bec. “The authorities said, ‘Tooting Bec! That doesn’t sound quite appropriate for a peer of the realm.’ I said, ‘It is Tooting Bec or nothing.’”

A quick poll of obscurely titled peers suggests that the biggest influence over their choice of titles is not perversity, but nostalgia. Baroness Symons of Vernham Dean named her title after the small village south of Hungerford that she used to visit as a child. Jeffrey Archer grew up in Western-super-Mare and Old Scone is a real place, outside Perth, and home of the Baroness. Lord Harris of Peckham, tired I’m sure of Delboy jokes, went to school in Streatham and rose to become the head of a carpet-making empire, Carpetright plc, before bringing titular fame to his South London roots.

Unsurprisingly, the act of choosing a name is riven with politics and subject to the sort of abstract snobbery the House excels in. One of its members, preferring to remain nameless, recalls the distress caused by the late Lord Montague of Oxford, who several of the grander peers considered presumptuous in his choice of moniker (he went to a grammar school). “It is thought not quite right to choose a big city unless you can live up to it,” he says.

Baroness James of Holland Park, more commonly known as the crime writer PD James, has moved about so much in her life that when she was created a peer in 1991, she was stuck for an obvious title. Eventually, she too settled on Oxford, but knew not to claim the whole city for herself. “I thought it would be rather nice to have the name of the parish where I was born,” she says, “but there was huge confusion about the parish boundaries. The King of Arms phoned up Oxford, but they couldn’t be sure what parish 127 Walton Street had been in, so I was left high and dry.” She settled on Holland Park in the end, as the place where her most successful book to date, *A Taste for Death*, had been set. Another little joke?

Ashcroft 'used Belize to get his peerage'

CONTROVERSIAL Tory treasurer Michael Ashcroft was accused today of using his adopted country of Belize as a "stepping stone" to becoming a peer, writes Patrick Hennessy.

The charge was levelled by the tax haven's former prime minister, Manuel Esquivel, a long-time political opponent of the billionaire.

Mr Esquivel accused Mr Ashcroft, who has quit as Belize's ambassador to the UN, of wielding "unseemly" power with the country's government.

News of his peerage merely added to the feeling in Belize that "money can get you anything, if you have enough of it," Mr Esquivel told Radio 4's Today.

William Hague has endured days of controversy over the decision to grant a peerage to Mr Ashcroft — who has made huge donations to the Tories — on the condition that he returns to live in Britain.

The businessman's defiant pledge to style himself Lord Ashcroft of Belize was hastily dismissed by Tory high command as an April Fool's joke.

Mr Ashcroft said in a week-end interview: "Belize runs through my bones."

Development agencies mark year of action

By Alan Pike,
Business Services
Correspondent

The English regional development agencies celebrate their first anniversary this week with figures showing they have helped create or save more than 35,000 jobs.

A statement by the eight agencies to mark the first year of action said that, in addition to the jobs their achievements had included £25m invested in improving workforce skills, £400m to raise prosperity in needy areas, and £20m in attracting new rural businesses.

"There is no going back now. The regions are here to stay," said Derek Mapp, chairman of the East Midlands Development Agency, who for the past six months has held the rotating leadership of the RDA chairmen.

The Conservative party is pledged to abolish the RDAs if it returns to power, and critics are likely to accuse them of claiming credit for programmes that existed in other forms before they were established.

But Mr Mapp said that in just 12 months the English regions had proved they

could deliver. He said the agencies were showing a capability to create critical mass and act at a level between the nation and individual cities.

The eight RDAs will be joined by a ninth, for London, later this year. This will be answerable to the capital's mayor who will be elected next month.

Although the creation of the RDAs was widely welcomed in the English regions, concerns persist about whether their powers and resources are adequate. British Chambers of Commerce will this week urge John Prescott, the deputy prime minister, to alter the RDAs' funding structure to allow greater financial flexibility.

"We are concerned that under the existing arrangements around 90 per cent of the RDAs' funding is pre-committed to particular activities," it said. BCC will also press for RDA budgets to be established on a three- or five-year rolling basis to improve long-term planning.

Advocates of devolved government hope the RDAs will prove to be the first step towards elected regional assemblies.

Lady Jay is criticised for attack on Ashcroft

By Robert Shrimmsley **4**
Chief Political Correspondent

TORY leaders have voiced their anger at what they say is Lady Jay's "unprecedented" criticism of the ennobling of Michael Ashcroft, the party treasurer.

Lady Jay, the Leader of the Lords, last week shocked colleagues by saying the peerage for Mr Ashcroft "stinks". Although her comments were made in response to Tory criticism of the new Labour peers, Conservatives said it was unheard of for the head of the Upper House to attack a new peer in that way.

One senior Tory said that for the Government to condemn a peerage that, in the final analysis, it had made was "beneath contempt". "She has to remember that she is not the leader of the Labour Party in the Lords, she is the leader of all the Lords."

The peerage for Mr Ashcroft has attracted substantial criticism from within party ranks. Sir Edward Heath and Lord Cranborne have been prominent among those who have attacked William Hague for nominating him. However, Tories said Lady Jay had a responsibility to remain aloof from the row.

Conservatives are also angry that Mr Hague's telephone call to Tony Blair about the Ashcroft peerage was depicted as him "begging" for the Prime Minister's help in securing the title for his treasurer.

It is understood that the Tory leader telephoned Mr Blair last month after the Prime Minister wrote to him saying Mr Ashcroft's nomination had been turned down by the Honours Scrutiny Committee.

But Mr Hague had a letter from the committee which he told Mr Blair made it clear that Mr Ashcroft had not been rejected. Instead it set out the concerns of the committee, which the Tory treasurer would have to meet.

Lords officials may make Ashcroft wait

By James Landale ✚
Political Correspondent

MICHAEL Ashcroft's hopes of becoming a peer in the next few weeks — albeit one without a seat until later this year — look set to be dashed by the House of Lords authorities.

The Tory treasurer had thought he would be elevated to the peerage almost immediately but would just stay away from the Lords until he had moved to Britain. But it emerged yesterday that the Lords authorities are reluctant to issue the formal documents known as the Letters Patent and Writ of Summons that will create his peerage.

Officials believe that neither document should be issued until the Political Honours Scrutiny Committee has indicated that the condition it laid down for the peerage, announced last week, has been met.

The committee ruled that Mr Ashcroft should take up permanent residence in this country before the end of the year before he could be introduced into the Lords. Lords officials said that no one could stop Mr Ashcroft taking up his seat once the Letters Patent and Writ of Summons had been issued.

The 32 other nominees will technically become peers around Easter after Garter

King of Arms, the constitutional guardian of the honours system, has agreed their titles.

Only once their new names have been accepted by the Queen and formally "gazetted" in the *London Gazette* can they use their titles. They will then gradually take their seats; the Lords allows two introduction ceremonies a day.

Mr Ashcroft would remain a commoner until the scrutiny committee gave the go-ahead for his Letters Patent and Writ of Summons to be issued.

Ultimately there is nothing to stop Mr Ashcroft styling himself outside Parliament as Lord Ashcroft and putting the title on headed notepaper, but he will not get access to the Lords facilities until he formally becomes a peer.

It also emerged yesterday that the Tory treasurer would almost certainly be prevented from adopting his preferred title of Lord Ashcroft of Belize. Although William Hague and other senior Tories dismissed the suggestion as a joke at the weekend, it is understood that Mr Ashcroft was serious about his intention.

Lords officials said that territorial designations in peers' titles — known as *nomen dignitatis* — were not accepted without good reason. The most common reason is to distinguish between peers of the

same name or signify a peer's close connection with a place, such as a former constituency.

Officials also added that most territorial designations were British place names and only rarely from overseas. They said foreign titles were accepted only if the peer was born there or had won a military victory there. These have in the past included titles such as Viscount Montgomery of Alamein. The only peer of that breed in the Lords today is Viscount Allenby of Megiddo.

Of the 277 peers with territorial designations, two have foreign names: Baroness Gardner of Parkes, who comes from Parkes in New South Wales, and Baroness Ryder of Warsaw, who set up her first family home outside the Polish capital after the war.

One Lords source said that although Mr Ashcroft could in the end call himself what he wanted if he pushed hard enough, he was most likely to end up as simply Lord Ashcroft. He would still have a territorial designation — not part of his title — which would be his British home and possibly a Belize home town. Yet he could not choose Belize because barons can only adopt towns and specific geographic sites, not countries.

Michael Gove, page 22

Labour donors in one visit to Lords since peerage

FOUR OF the 12 Labour donors given peerages by Tony Blair have spoken in the House of Lords just once, attendance figures showed yesterday.

Meanwhile, Lord Neill of Bladen, the Government's standards watchdog, acknowledged concern about honours for party donors and supported calls for an inquiry into the honours system.

Lord Neill made his comments as he launched an inquiry into a new code of conduct and compulsory register of members' interests for the House of Lords. Responding to criticism over the granting of a peerage to the Tory treasurer, Michael Ashcroft, he said the honours system could be the subject of a future inquiry.

"I think there is an argument for having it on the agenda of

BY FRAN ABRAMS 10
Westminster Correspondent

possible topics we could look at one day," he said. "You could certainly have a level of public anxiety where this committee might be interested in looking at it."

Some of Tony Blair's most high-profile donors and fundraisers were among the peers who had contributed only by making a maiden speech, new attendance figures showed.

Lord Levy, who ran the Prime Minister's blind trust before the 1997 election and who acts as his special envoy to the Middle East, made just one speech in the Lords in December 1997. Last year, he attended 60 daily sittings but voted in just 18.

Lord Haskins, the chairman of Northern Foods and a principal donor to Labour, was included in the Queen's birthday honours in June 1998 but did not speak until May 1999. Last year, he attended on nine occasions and voted four times. Lord Stevenson of Coddensham and Lord Gavron, both important Labour donors ennobled in June 1999, have each spoken just once and each attended four times before the end of the session in November 1999. Lord Gavron's assistant said he now attended daily.

Other Labour peers have attended more regularly. The film-maker Lord Puttnam attended 114 times and voted 51 times last year while the broadcaster Lord Bragg attended to

vote 115 times but appeared in the chamber just 69 times. Lord Sainsbury of Turville, the Science minister, contributed more than 500 times.

By contrast, the 11 former Labour MPs who became peers in August 1997 attended an average of 130 sessions each last year. They spoke or contributed 38 times on average while the donors and funders spoke eight times.

One former MP, Lord Hardy of Wath, attended 144 sittings out of 154 and spoke, intervened or questioned a minister 120 times.

Some former MPs admitted that there were differences between the two groups of peers. Lord Davies of Oldham, formerly Labour's education spokesman, said many new peers had careers elsewhere. "It is well nigh impossible to be serious in the Lords and full-time elsewhere. The Lords is a very demanding place," he said.

At the launch of his current inquiry yesterday, Lord Neill announced that he would be standing down as chairman of the Committee on Standards in Public Life when his current three-year term expired in October. Several other members of the committee would also leave at the same time.

The House of Lords inquiry will look at the registration and declaration of interests, a code of conduct, parliamentary consultancies and lobbying, disciplinary procedures and penalties for breaking the rules.

RARE APPEARANCES

LORD LEVY

Ran Tony Blair's blind trust. Made his first and only speech in the House in December 1997 in response to the Chancellor's pre-budget report. He spoke of the importance of partnerships between the public and voluntary sectors.



LORD GAVRON

A publishing magnate who was included in the honours list in June 1999 and made his first speech in November. He began with an apology: a friend had put him down to speak after three days in the house but "I was not quite up to it".



LORD STEVENSON OF CODDENHAM

A major Labour donor in 1996 and chairman of Pearson PLC, became a peer in June 1999 and gave his first speech to the House in November during a debate on education.



LORD HASKINS

A major Labour donor in 1996, spoke about small business in his maiden speech in May 1999, 11 months after he was ennobled. He said running the Better Regulation task force was his most entrepreneurial job to date.



STANDARDS COMMITTEE LORD NEILL SAYS SUBJECT SHOULD BE ON AGENDA ONE DAY

'Cash for peerages' probe likely

By Andrew Parker,
Political Correspondent 4

An investigation may be launched into allegations of "cash for peerages" by the Neill committee on standards in public life.

The independent committee yesterday set out a new inquiry into whether peers should be forced to give more details about their outside interests, including all paid directorships and shareholdings.

The inquiry, which will also look at the case for a code of conduct, is causing concern among Tory peers. The Association of Conservative Peers has argued that a House of Lords select committee should conduct the inquiry instead.

Launching its latest inquiry, the Neill committee said it may in future investigate claims that donors to



Lord Neill: 'certainly should not be payment for honours'

political parties have secured peerages because of their financial support.

Last week Michael Ashcroft, the controversial businessman who has given £3m to the Conservatives, was awarded a "conditional" peerage.

Mr Ashcroft, who is also the chief Tory treasurer, cannot take his seat in the Lords until he has moved his residence from the US to Britain later this year.

The political honours scrutiny committee, which vets candidates, has to assure itself that peerages are not sought in return for donations to parties. But allegations persist because of the practice of donors to Labour and the Conservative party being awarded peerages.

Lord Neill said he did not think his committee's new inquiry would extend to an investigation of the allegations of "cash for peerages".

But he added: "I myself think there's an argument for having it on the agenda as one of the possible topics the committee could look at one day... There certainly should not be payment for honours."

The new inquiry will decide whether peers should be required to follow a similar disclosure regime about their outside interests to the one applied to MPs. Unlike MPs, backbench peers do not receive a salary and rely on a system of allowances and expenses.

In 1995, a register of peers' interests was established. Peers have to disclose if they are paid by lobbyists or other companies for parliamentary advice. Unlike MPs however, peers do not have to disclose paid directorships or shareholdings that are not related to their parliamentary work.

Lord Neill said: "There is a danger of creating a whirl of animosity, in which one party could accuse another party of having failed to declare an interest and a certain amount of warfare of that type has developed."

THE TIMES
05/04/00

Tory peers challenge Lord Neill

By James Landale
political correspondent 14

TORY peers have challenged the right of the Committee on Standards in Public Life to examine behaviour in the House of Lords.

Lord Neill of Bladen's committee, which yesterday began its investigation into the Lords, is expected to recommend a code of conduct and stricter registration of interests.

Tory peers have protested that a committee set up by the House of Commons has no remit to propose changes to the House of Lords.

They instead want the Lords itself to set up its own committee — headed again by Lord Neill — which would carry out the investigation.

They believe this body would have the authority which they think the Standards in Public Life committee lacks.

Lord Trefgarne, chairman of the Association of Conservative Peers, is understood to have outlined the peers' demands in a letter to Baroness Jay of Paddington, the Leader of the Lords.

Although the Tory peers make clear that they will fully cooperate with any inquiry, the move risks the accusation that they are seeking to hide from Lord Neill's scrutiny.

Watchdog may inquire into peerage awards

Michael White
Political editor

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The committee on standards in public life may investigate the growing controversy over "cash for coronets" as major party donors are awarded peerages in the half-reformed Lords, the committee's chairman, Lord Neill, warned yesterday.

"There certainly should not be payment for honours, that is implicit in what we have said in earlier reports," he said in the wake of last week's row over 33 newly appointed peers.

But he also warned against witchhunts — "the danger of creating a whirl of animosity" between parties.

Lord Neill, who announced that he will step down from the post in the autumn after completing his three-year term, spoke at a press conference to launch the watchdog committee's next investigation, into the possibility of extending the full rigours of the

MPs' register of interests to members of the House of Lords.

In the wake of the controversy over Tory treasurer, Michael Ashcroft's appointment to the Lords last week — and Tory counter-claims that major Labour donors have also won peerages — Lord Neill said "there's an argument for having it on the agenda as one of the possible topics the committee could look at one day. I don't think it is within the remit of what we are doing now".

The latest inquiry follows a series started under Lord Nolan's chairmanship in response to growing alarm about sleaze and declining standards in public life. Unlike MPs, now paid nearly £50,000 a year plus expenses, peers are not paid.

Instead they get expenses, including up to £81.50 for overnight accommodation in London, £36 a day for subsistence and £35 a day for secretarial help.

Wheen's world

Make them pay for the privilege

26 I suppose that peerage cost the old devil the deuce of a sum," Bingo Little tells Bertie Wooster in *The Inimitable Jeeves* after Bingo's uncle Mortimer, who made his pile from Little's Liniment ("It Limbers Up the Legs"), has become the noble Lord Bittlesham. "Even baronetcies have gone up frightfully nowadays, I'm told."

The *Inimitable Jeeves* was published in 1924. A year later, on August 7 1925, King George V gave his royal assent to the Honours (Prevention of Abuses) Act. And eight years after that, the notorious honours broker Maundy Gregory became the first person to be convicted under the new law, having tried to wheedle £10,000 out of a naval commander in return for procuring a knighthood. The commander, who was quite happy with his Distinguished Service Order, had gone straight to the police.

"In my opinion, the maximum fine of £50 would be wholly inadequate to meet the facts of this case," said the chief magistrate at Bow Street, Sir Rollo Frederick Graham-Campbell, who had himself been knighted only a month earlier. "But as this is the first case under the act I do not propose to impose the maximum penalty allowed by the law to a court of summary jurisdiction." He sentenced Gregory to two months' imprisonment as well as the £50 fine.

After completing his sentence Gregory moved to France, where he lived off a handsome pension of £2,000 a year. Some historians have claimed that it was a stipend from the Conservative party, but this is not quite correct. As Tom Cullen noted in his excellent biography of Gregory, Conservative central office "merely acted as an 'honest broker', if one may use the term in this context, in bringing together a group of noble lords and knights who had been Maundy Gregory's clients in the past, and who were prepared to underwrite Gregory's future in return for his silence".

The trial of Maundy Gregory took place in February 1933. Nearly 70 years on, although the law is still on the statute book, he remains the only person ever to be prosecuted under

the Honours (Prevention of Abuses) Act. A visiting Martian might reasonably infer that no other "abuse" has occurred.

Anyone with a GCSE in modern history could swiftly put the Martian right. A few years ago the diligent sleuths at the Labour Research Department calculated that although only 6.2% of British companies gave money to the Tories between 1979 and 1992, more than 50% of peerages for "services to industry" during this period went to executives of firms which had donated to the party. (The chance of this being coincidence was 1 in 10 to the power of 133.) Labour's record is no better: reciting the list of crooks and spivs honoured by Harold Wilson - Lord Kagan, Lord Plurenden, Sir Eric Miller, old uncle Lord Brayley and all - is still enough to give me a migraine.

No wonder the law has not been enforced: all the major parties have a vested interest in keeping the system corrupt. "You and I know that the sale of honours is the cleanest way of raising money for a political party," Lloyd George confided to the Tory politician J.C.C. Davidson. "The worst of it is that you cannot defend it in public." If Labour invited the police to consider mild Ashcroft of Belize's donations, William Hague would probably ask them to take a look at some of Tony Blair's 200 new peers as well. It may have been the Liberal Lloyd George who made Maundy Gregory rich, but it was the Tories who bought his silence - and a Labour prime minister, Ramsay MacDonald, who gave a knighthood to Julien Cahn, the Conservative fixer responsible for arranging his French exile.

"Maundy Gregory's papers and Maundy Gregory's presence here would stir up such a filthy sewer as would poison public life," MacDonald wrote in his diary, after learning from Stanley Baldwin that several Labour figures were also implicated in the racket. "Mr Baldwin involves me in a scandal by forcing me to give an honour because a man has paid £30,000 to get Tory headquarters and some Tories living and dead out of a mess."

So it has continued ever since. In the early 1990s, a roguish friend of mine who makes his living advising rightwing tycoons and politicians was

approached by a businessman with a blunt request: "I want you to get me a knighthood. I'm prepared to pay up to £50,000." My friend replied that this wasn't nearly enough, pointing out that Maundy Gregory used to charge almost as much for a baronetcy just after the first world war. Half a million would be the minimum necessary outlay these days, he said. The businessman then lowered his sights, asking if £50,000 might at least buy him an OBE. My friend thought that should be possible.

But why shell out 50 grand for a piffling little OBE, which will impress hardly anyone, when you can have a far grander honour free of charge? Five years ago, the then Lord Chancellor revealed in a written answer that "there is nothing to prohibit any individual from describing himself [sic] as a peer of the realm, for any purpose not unlawful". In short, we can all follow the examples of Duke Ellington and the Duchess of Duke Street.

True, we shan't be able to sit in the House of Lords - but after reading Lord Hattersley's article on Monday most of us will feel rather grateful for that. The main purpose of a title is to inflate one's self-importance, impress bank managers, win admiring glances from American hotel receptionists and get tables in fashionable restaurants. An extra benefit, if we all start calling ourselves Lord This and Lady That, is that Lord Ashcroft will feel very common indeed. (As A.J.P. Taylor wrote of Lloyd George: "He detested titles. This, no doubt, is why he distributed them so lavishly.")

I can see, however, that this isn't a Blairite, market-minded solution. So here's the alternative: repeal the 1925 Act, which is manifestly useless anyway, and announce that titles will be sold off rather as the DVLA sells personalised number plates, with all revenues from this "vanity tax" going directly to the education service and the NHS. Some may fear that such a scheme would degrade and demean parliament; but the PM has already done that by filling the "modernised" Upper House with his cronies and benefactors. If preening, stupid tycoons yearn for ermine, let's force the old devils to pay us the deuce of a sum for the privilege.

Booth v Blair

TONY BLAIR is rebuked by his father-in-law today for allowing the Lords to be "stuffed with Tony's cronies or William's bankers". The actor Tony Booth says that the Government has failed to keep its promise of democratic reform.

In a letter to *The Times*, Mr Booth, 68, lambasts the "distasteful spectacle" of last week's working peers list which included Michael Ashcroft, the Tory Treasurer, and 20 new Labour peers.

Mr Booth, a Socialist of the old school, has embarrassed Labour before with talk of control freaks and androids planning world domination from the Millbank headquarters. But he has also praised Mr Blair for his family loyalty and has said: "To me, he is still my son-in-law and I love him."

Ashcroft's peerage

From Mr Tony Booth

23

Sir, Even though the hereditary process has been abandoned, Michael Ashcroft (letters, March 31 and April 1) would appear to be part of that historical tradition. It would seem that the purpose and role of the House of Lords is redefined only in that it is now to be stuffed with Tony's cronies or William's bankers.

If the Labour Government had kept its promise on radical change in representative democracy and made the Lords into an elected second house then we would not be witnessing this latest distasteful spectacle.

Yours,
TONY BOOTH,
6 West End, Broadbottom,
Cheshire SK14 6BE.
April 2.

From Mr R. M. Langton

Sir, Paradoxically, future generations might consider that Mr Ashcroft has well deserved his elevation to the House of Lords. He has saved the Conservative Party from financial meltdown, thus enabling it to mount the effective opposition essential to a genuine democracy.

Let us not be hypocritical; at least since the early 1900s all parties have rewarded their benefactors and surely it is no worse to create one peer who has given £2 million than 20 who have given £100,000?

Yours,
RICHARD LANGTON,
Flat 1, 18 Bolton Road, W4 3TB.
April 2.

FINANCIAL TIMES

05/04/00

FREEDOM OF INFORMATION BILL 4

Straw offers concessions to appease backbenchers

Jack Straw last night tried to head off a rebellion by Labour MPs against his freedom of information bill by offering more concessions. The home secretary was expected to say, among other concessions, that a minister of cabinet rank would be responsible for approving the withholding of so called "exempt" information held by government departments, where an independent information commissioner had ordered disclosure of the material to the public. The Home Office had originally proposed that a junior minister could be responsible for taking the decision.

The concessions follow claims that up to 60 Labour MPs may vote against the government during the freedom of information bill's report stage in the Commons because they believe the legislation is weak. **Andrew Parker**

W. Chapman
William Chapman
April 2000

Jonathan Powell

Michael Ashcroft

Michael Ashcroft seems to have interpreted the conditions of his life peerage as meaning he may take his title without having to wait until he lives in the UK. (The condition was that "he would be introduced into the House of Lords only after taking up residence".) He has approached the Crown Office in the House of Lords to determine the timing of his "Letters Patent"; after these are issued introduction usually follows very quickly.

I imagine that the Prime Minister would not want Ashcroft to receive his title before he's living here. And Anthony Merifield is clear that the PHSC would not want this.

Many of the new peers will be introduced to the House over the next few weeks. But there seems no chance of Ashcroft being able to put his affairs in order in this timescale. I think we need to make it clear to Mr Ashcroft that he will not be able to take his title until shortly before he is introduced to the Lords which cannot happen till he's a resident.

LINES 15-19 REDACTED

You may wish to let the Prime Minister know of this over the weekend.

William
WILLIAM CHAPMAN



CEREMONIAL BRANCH

cc Mr Chapman
(without attachments)

Sir Anthony Merifield KCVO CB, Ceremonial Officer

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The Rt Hon Lord Thomson of Monifieth KT



ADDRESS
REDACTED

19 April 2000

Dear Lord Thomson

I am enclosing a letter which seeks to establish an agreed position on the handling of Mr Ashcroft's Peerage in the light of the PHSC's advice and discussion with the Lord Chancellor's Department (and Inland Revenue).

There is a further point of a different kind. That is, to allow a Peerage now might be interpreted by the public, and media, as an indication that the various parties to the undertakings are either unable to police the arrangements, or attach no importance to them. If this happened, we would run the risk of damaging all concerned - the Committee, the Prime Minister, the Leader of the Conservative Party, and indeed Mr Ashcroft himself with his declared wish to play a part in the work of the House of Lords. In such circumstances it could be argued that it would have been safer to have withheld approval until after residency had been established.

Copies of this cover letter go also to your colleagues.

Yours sincerely

ANTHONY MERIFIELD



CEREMONIAL BRANCH

Sir Anthony Merifield KCVO CB, Ceremonial Officer

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The Rt Hon Lord Thomson of Monifieth KT

ADDRESS
REDACTED

19 April 2000

Dear Lord Thomson,

PEERAGE FOR MR MICHAEL ASHCROFT

You spoke to me about the procedures that would give effect to the PHSC's concerns about the grant of a Working Peerage to Mr Ashcroft, and which would respect the caveats entered in their letters of 22 and 27 March. Given the shortage of time there was to deal with this before the deadline for the publication of the Working Peers List on 31 March, there is a need to clarify the position.

2. The logic of the PHSC's approach is:

- a. the appointment is for a Working Peerage, ie for someone who is available for regular attendance in Parliament;
- b. an undertaking was signed on 23 March by Mr Ashcroft giving an assurance that he would not take up that appointment (ie would not be introduced into the House) until he had become permanently resident in the UK at some time before the end of this calendar year; and so
- c. it would follow that until he becomes so resident there would be no need for the issue of Letters Patent and a Writ of Summons.

3. The issue of Letters Patent cannot normally be separated from the issue of a Writ of Summons, and the Peer's response to it. Indeed, the Letters Patent (as enclosed, with its right "to hold and possess a seat place and voice in the Parliaments") link these two procedures. The Crown Office have checked that the precedents for Working Peers support this, with very short gaps between the issue of the Letters Patent and the introduction of the new Member into the House. Now the concept of a Working Peer has become much firmer, with the loss of hereditary Members, the rationale for a close tie seems to be strengthened.

4. I understand that those returning to, or taking up residence in, the UK are required to notify the Inland Revenue authorities of this on Form P86 (Return to the UK after a period of absence), and Form DOM1 (Confirmation of Domicile Status). Mr Ashcroft could arrange for a notification that these have been sent to the Revenue to be conveyed to the PHSC Secretary. At that time, the Secretary to the Committee could ensure the Crown Office are made aware of Mr Ashcroft's residence and his ability to take up his Working Peerage. Letters Patent would then be issued immediately.

5. If you and your colleagues accept that this is the way forward, I will confirm this understanding with the Clerk of the Crown who is minded, at present, to withhold the issue of the Letters Patent until it is clear that Mr Ashcroft has moved into permanent residence in the UK and is thus able to take his seat and function as a Working Peer.

6. I am copying this letter to Baroness Dean and Lord Hurd, with copies of the letters of 22-27 March (A and C); the undertakings (B); the No 10 Press Release (D); and a copy of the form of the Letters Patent (E). I also enclose some further Press Reports. It would be helpful for the Crown Office to be informed of the Committee's views by Thursday 27 April.

Yours sincerely

Anthony Merifield

ANTHONY MERIFIELD



CEREMONIAL BRANCH

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Sir Hayden Phillips KCB
 Permanent Secretary
 Lord Chancellor's Department
 House of Lords
 London SW1A 0PW

9 May 2000

Dear Hayden,

I am writing, following a meeting of the Political Honours Scrutiny Committee, to provide some additional information about the appointment of Mr Michael Ashcroft to a Working Peerage.

The Committee recognises that, following the public announcement on 31 March, the implementation of the award, with the conditions attached to it, passes to the Crown Office, acting on advice from the Home Office who will have obtained Royal Approval to the issue of Letters Patent. The Committee have noted that these convey a right to a place in the House of Lords, and that practice in respect of those appointed as Working Peers recognises that the Letters Patent be issued when the individual is ready to go ahead and take his or her seat. We understand that except for cases where illness, or a Parliamentary recess, have intervened, there is no recent precedent for splitting the issue of Letters Patent, and the issue of a Writ of Summons and the arrangements for the Peer to be introduced into the House. Indeed, we understood that once Letters Patent have been issued the individual concerned has a constitutional right, and duty, to take his place in the House of Lords without undue delay.

In order to provide assurance about his ability to fulfil the duties of a Working Peer on behalf of his Party, (in March he was still resident overseas and limited to 90 days per year residence in the UK), Mr Michael Ashcroft furnished us with an undertaking that he had "decided to take up permanent residence in the UK again before the end of this calendar year". He also said that "I hereby firmly agree that *I will not seek* (my italics) to be introduced into the House of Lords until I have taken up residency in the United Kingdom within the timescale above mentioned"

The Committee would prefer that, in the light of these understandings and of the provisions of the Constitutional documents to which I have referred, Mr Ashcroft should be issued with his Letters Patent, with their right and duty to attend as a Member of the House of Lords, only when he is in a position to exercise that right. While it is for Mr Ashcroft to decide how to notify his taking up permanent residence, a letter to the Inland Revenue which provides them with a firm date (and would include or lead to the submission of their forms IR Form P86 (Arrival in the UK) and IR DOM1 (Domicile)) would seem to be significant in discharging the assurance he gave in March. Thereafter we would not expect there to be any undue delay in the issue of the Letters Patent and Michael Ashcroft's being introduced in the House.

When appropriate, the Crown Office may wish to write to give Mr Ashcroft some indication of the convention, practice and precedent which suggest that it would be usual to issue Letters Patent as soon as, but not before, a new Peer is in a position to discharge the constitutional right and duty conveyed in the legal documents. There need be no delay once this stage has been reached so that, once permanently resident in the UK, Mr Ashcroft may then take his place in the House to discharge the responsibilities of a Working Peer for which he was nominated by his Party Leader.

James ...

Anthony Merifield

ANTHONY MERIFIELD
(Secretary, Political Honours Scrutiny Committee)



CEREMONIAL BRANCH

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Mr Peter Bradley MP
House of Commons
London SW1A 0AA

19 May 2000

Dear Mr Bradley,

We spoke about my response to you following your enquiries on 3 April about the inclusion of Mr Michael Ashcroft in the Working Peers List.

The Committee gave advice to the Prime Minister, and following that advice it was agreed that undertakings sought by the Committee would be made public. The note attached to the Downing Street Press Notice was included at the request of the Committee.

When the conditions are fulfilled Mr Ashcroft will be able to take his seat in the House of Lords. The conditions were clearly set out in the Press Notice and have been supported by an undertaking from the Conservative Party Leader who proposed Mr Ashcroft for appointment to the House of Lords.

The final points you have made have been addressed by the Committee and, given the arrangements for the appointment and summons of Life Peers, the Political Honours Scrutiny Committee has no reason to doubt that Mr Ashcroft will not abide by his undertakings.

Yours sincerely

Anthony Merifield

ANTHONY MERIFIELD