

Paul Holmes MP, House of Commons
London, SW1A 0AA

25th March 2010

Dear Sir Malcolm,

I am writing to you as Chairman of the Committee on Standards and Privileges in order to comply with your ruling that I should, through you, apologise to the House and pay over a quarter of the amount I received from the owners of Dolphin Square.

In 2005 the Housing Trust at Dolphin Square was sold by Westminster Council to an American property company, who then offered payment to all 1,000 tenants. There was, as the Director of Operations confirmed during your enquiry, 'nothing in the Green Book which specifically covered buy outs of this nature'. Also of course the practice of the great majority of MP's has been to use ACA money not to rent (as I have done), but to help buy a property and to then keep "the profit a member could legitimately derive from selling a property bought with the help of ACA." [Page 20]

In 2005 this all informed my judgment that there was therefore no issue in my accepting the completely unexpected and unplanned for payout from a new commercial landlord (not the taxpayer), and moving to a flat with lower rent, followed by another flat with lower rent. I apologise to the House for making what you and the Parliamentary Commissioner have now ruled to be a 'serious misjudgement' and payment is on its way to the Department of Resources.

My decision in 2005 was arrived at in good faith at the time as explained above. That is supported by the fact that 3 years later, as soon as any question was raised about our decision, I and 5 of my colleagues immediately self referred in order to get a clear ruling. Without that self referral no investigation would have taken place. Sir Thomas Legge's audit only scrutinised claims made from public funds and the other Members who have not self referred over this issue have not been subject to your scrutiny and recommendations. **The Committee ruled in my case that "there was no significant extra cost to the public purse as a result of my decision." The Parliamentary Commissioner concluded that "he could find no evidence that we made this misjudgement deliberately." I apologise for making that misjudgement.**

Yours sincerely,

Paul Holmes.