

## Nick Clegg's proposals for reform of the House of Lords just don't work

*As part of our ongoing series on reform of the House of Lords, [Lord Lipsey](#) examines Nick Clegg's recent proposals to reform the second chamber. He finds that the proposals will cost over £400million, lead to competition between the chambers, and are not even truly democratic. Reform is needed – but not these reforms.*



There are some compelling reasons why most peers oppose Nick Clegg's half-baked proposal for an elected House of Lords. It's not to do with self-preservation or vested interests, at least not for most of us. The problem is that the current bill just doesn't work. It does little for democracy, and less for effectiveness. On top of that – and no attention has been paid to this so far – it will be wildly expensive. The cost of reform in the first five years is £433million according to my calculations.

Let's deal with these issues in reverse order. First the extraordinary cost. The [draft bill](#) proposes that members of the reformed Lords will be either partly or wholly elected. In the first Parliament under the new system, there will be 100 new elected members while two-thirds of the current will remain. That's a total of 656 members in the first parliament – hardly fewer than the current House.

All of these members (old and new) will receive salaries somewhere between those for MPs and for Members of the Scottish Parliament and Welsh Assembly (Para 109 & 111, [Cm8077](#)). Provisions for pensions will also have to be made. Taking the average of MPs' and MSPs' current salaries a reasonable estimate for Members' salaries and pensions in the reformed House is around £79,500.

Add to this an estimate for the expenses. Conservatively, new Members might be expected to spend about two-thirds of what MPs currently do on their expenses and the old 'transitional' members about a quarter of what MPs currently claim. For the existing peers this comes to £38,000 which is roughly what it costs to hire a secretary/PA in London.

Then there is the cost of additional elections. The best estimate is around £113 million. This is based on the Government's official estimate for the cost of the AV referendum (somewhere between £106 and £120million, available from Hansard, Col WA338, 18 May 2011). It could be higher as the proposals recommend the Single Transferable Vote system which would probably need a heavy investment in electronic voting machinery too. Add all this up and over the first five years you get to £433m.

Of course, I've already heard the arguments that this is a price worth paying for greater democracy. The problem is that the arguments claiming greater 'democracy' add up to something quite the opposite of what the reforms cost – zero.

The proposals are not truly democratic. Mr Clegg wants elected peers to serve a single 15-year term, so that voters will never get a chance to throw them out if they do not perform. The proposed reforms don't necessarily even deliver more accountability. The Bill would just end up making an entire group of Members elected from a large region but without anything to answer for in that region or to those 'people'.

The bill is a recipe for stalemate between two elected Houses. By contrast the present House of the experienced and the expert complements the work of the Commons.

Competing chambers, both bound to make claims for democratic legitimacy (though we know really that's not true) and both filled with professional politicians – that is not the way to get a second chamber that enables parliament as a whole to do its job better. The House needs reform, and would be among the first to support the right kind of proposals and there's no reason why they can't be radical. The Lords needs better procedures, a more transparent method of appointing its members, more working in committee and less on the floor, more evidence-taking procedures and a cut in numbers. We also need to allow the elderly to retire in dignity and to chuck crooks out.

A package of measures along these lines would save money – whereas the government's proposals represent an extravagant way for the Conservatives to try to pacify Nick Clegg and his party. The real shame is the waste of an opportunity. The chance for meaningful reform doesn't come all the time – to frustrate the public and the process now hurts everyone involved.

With Britain facing challenging times, this diversion into constitutional meddling may please Liberal Democrat activists, such as they remain, but it will do nothing for the public. If Clegg disputes this, let him agree to put his proposals to a referendum – when they will suffer the same fate as his mistimed attempt to change the [voting system](#).

*The Constitution Society, Centre Forum and [British Government @ LSE](#) are hosting a Public Debate on Monday 18 July at the LSE, on the “Reform of the House of Lords” and has invited speakers to represent a range of different perspectives. More details will be confirmed shortly. Registration is free but booking is essential via [Politicsandpolicy@lse.ac.uk](mailto:Politicsandpolicy@lse.ac.uk).*