

## **Written evidence from Rt Hon Mel Stride MP, Chair of the Treasury Committee (SCC0027)**

I am aware that your Committee is seeking evidence from Chairs for your inquiry into committee powers and contempts, and in particular information about whether committees have experienced difficulty in securing the attendance of witnesses, or the production of papers.

I am glad to say that since the start of the Parliament, the Treasury Select Committee has not encountered any major issues in securing witnesses or evidence.

Where the Committee found that witnesses were initially reluctant to appear, this has been managed by a combination of flexibility on dates and reassurance about the purpose and scope of a session. I should point out that in these unusual times due to Covid-19, virtual meetings have, on the whole, also helped give witnesses greater flexibility. I think the approach the Committee has taken reflects my belief that the most effective scrutiny arises as part of a constructive process, which relies on being fair to witnesses.

However, when a constructive approach does not achieve the desired outcome, Committees need the right tools to obtain the information required to effectively scrutinise or to hold public figures, including private organisations or individuals who have influence on the public square, to account.

I am aware that my predecessor but one as Chair of the Treasury Committee, Rt Hon Lord Tyrie, has submitted written evidence, setting out how the powers of Select Committees were used under his stewardship.<sup>1</sup> I thought it would be useful to describe how the Committee has used these powers since 2017, when Rt Hon Baroness Morgan of Cotes was Chair. During this period, there were a couple of occasions when the Committee used its powers to demand papers, but it was cautious when doing so:

- The Committee received some information from a whistleblower about the existence of a report. This gave the Committee the opportunity to request the report, and the tone of the request was sufficient for it to be provided without the Committee having to agree a formal order requiring the submission of the document. The Committee was then reasonable in how it handled the report, agreeing to accept it in confidence as it was commercially sensitive and contained personal data.
- On another occasion, the Committee used its powers to overcome a legislative barrier to the publication of information. In September 2017, the Committee became aware of a leak of the skilled persons report into the treatment of customers in RBS's Global Restructuring Group. Following a period of correspondence with the Financial Conduct Authority (FCA), during which a summarised and redacted version of the report was

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<sup>1</sup> <http://data.parliament.uk/writtenevidence/committeeevidence.svc/evidencedocument/committee-of-privileges/select-committees-and-contempts/written/106074.pdf>

published, the Committee ordered that the full, unredacted report be submitted to the Committee. Following the Committee's order, the Chair said "A version of the report is now in the public domain. The FCA has completely lost control of the publication process. If the FCA doesn't publish or provide the report by Friday, it will have breached an order of the House of Commons and may be found in contempt of Parliament. The Committee will meet when Parliament returns on Tuesday 20th February. At that meeting, I will be asking members to agree to publish the final, unredacted report under parliamentary privilege as soon as possible". In response the FCA stated that there were legal difficulties in them publishing the full report, as it could potentially contravene section 348 of the Financial Services and Markets Act 2000, which would be a criminal offence. They therefore provided the full report to the Committee, which the Committee reported to the House for publication, conferring on it parliamentary privilege. On publication the Chair said "The Committee has not taken the decision to publish lightly. Normally, reports prepared under section 166 are confidential, but there is overwhelming public interest in bringing transparency to what happened at GRG, given the earlier leak of the report, and in ensuring that everyone can see, and know that they are seeing, an authentic and verified copy of Promontory's original report". The Clerk of the Treasury Committee can provide more information if that is considered useful to the Committee.

I have considered some of the written evidence you have received, and to me it seems that the powers of the House do not have sufficient teeth. The recent well publicised case of contempt has moved the discussion of powers on. and I think now is the time to consider a legislative solution which might make contempt a criminal offence. This should be accompanied with sanctions, most sensibly analogous to those for contempt of court. Critically, if enforceable sanctions are to be introduced, then it is essential that there is an accompanying fair procedure for witnesses, which should be applied as a code of practice.

*5 October 2020*