

Written evidence submitted by Patriotic Millionaires UK

We write not as constitutional experts but as seasoned political campaigners who have observed how restricted fiscal scrutiny in UK Parliament contributes to the sidelining of public discourse around taxes on wealth. We identify some potential areas of focus for the Committee in terms of reforming Parliamentary procedures to make the House of Commons more effective.

Observations

"The first duty of a member of Parliament is to do what he thinks in his faithful and disinterested judgment is right and necessary for the honour and safety of Great Britain. His second duty is to his constituents, of whom he is the representative but not the delegate." — Sir Winston Churchill on the Duties of a Member of Parliament.

Our submission builds on this vision of MPs as active representatives of the nation's interests. At the heart of this role is the patriotic responsibility to scrutinise the executive's tax and spending measures effectively.

Tax and spending are fundamental to democracy, yet the current fiscal processes in Parliament are often treated as technical or procedural formalities. It is our experience that many MPs lack a deep understanding of these processes, which undermines the scrutiny needed for genuine accountability and this is reflected in the relatively low engagement in debates on the detail of the Finance Bill and the ensuing Estimates. With such a large intake of new MPs in this Parliament, this gap in understanding is more pronounced than ever, making the Modernisation Committee's work in this area vital.

Critical debates on Finance Bills and Estimates are frequently rushed, poorly attended and superficial in terms of the substance of the debate. For example in 2023 the House of Commons spent just two sitting days debating the Main Estimates for fewer than 10 hours in total - with the ensuing votes rubber-stamping Govt departmental expenditure in excess of £1,100 billion.

Instead of being treated as opportunities for robust engagement, these processes are often seen as confidence votes, discouraging backbench MPs from challenging the government's approach.

Several outdated procedural norms limit MPs' ability to play an active role in shaping fiscal policy:

- **Standing Orders:** MPs cannot introduce Private Members' Bills that propose new taxes, nor can they make significant amendments to Finance Bills due to long-standing procedural restrictions.
- **Amendments:** The OECD has previously submitted [evidence](#) to the Procedure Committee that states "*The OECD is of the view that it would be possible for the UK Parliament to become a more effective actor in the budget process if it had unrestricted powers to amend the budget.*" Successive governments since 2018 have also [opted not to table](#) the 'amendment of the law' as the first motion of its Budget Resolutions, further limiting Parliament's ability to amend tax measures meaningfully.
- **Estimates:** While debates and amendments to departmental spending are technically allowed, the majority are bundled into [roll-up motions](#), leaving little room for meaningful scrutiny or amendment.

Many of these restrictions stem from historical conventions around the [respective roles](#) of the Crown and Parliament; these are enshrined in convention and Standing Orders, rather than in statute. The Committee should, as part of its strategic focus on points 27 and 31 of the Chair's memorandum, look at what options are available to the House to bring its own Standing Orders into the modern day, to better empower MPs to scrutinise tax and spending plans.

The contrast is stark: MPs can freely debate important, complex ethical issues like assisted dying, with the power to propose changes in either direction of the debate, yet they are denied similar freedoms when it comes to tax. We argue that this imbalance undermines Parliament's role as guardian of the public purse and has the potential to vest too much unchecked power in the executive.

Parliament should reassert its responsibility to provide meaningful oversight of tax and spending.

Our recommendations for the attention of the Committee

1. Strengthen Amendment Powers

- Remove restrictions on amendments to Finance Bills and Budget Resolutions, as per the recommendations of the OECD.
- Allow all departmental Estimates to be open to debate and amendment, rather than bundling most into roll-up motions.
- Enable select committees to formally propose amendments to legislation, giving their recommendations real weight on the floor of the House.

2. Foreground Financial Scrutiny in the Induction for New MPs

Early education on financial processes, leveraging the existing, excellent, resources from the House of Commons Library and the Scrutiny Unit, would empower MPs to engage confidently and actively in debates. This is particularly key given that the first Budget of a new Government is ordinarily its most significant.

3. **Enhance Public Engagement**

Institutionalise public participation mechanisms, such as citizen panels, for budget scrutiny. Improved digital platforms, including tailored alerts and participatory tools, can empower citizens to contribute meaningfully to financial oversight.

- New Zealand’s Parliament recently amended its Standing Orders to include two dedicated scrutiny weeks per year for Estimates and annual review hearings, fostering engagement between MPs, ministers, and the public. The UK could look to adapt and build upon this model.

4. **Rethink Confidence Vote Norms**

A vote against a specific tax or spend measure should not automatically be considered a confidence vote. The Committee should examine which reputed norms may be unduly stifling debate and effective scrutiny of tax and spending decisions.

About Patriotic Millionaires UK

[We are](#) a growing network of over 60 British multi-millionaires who actively engage in influencing the media and political representatives.

Our unique contribution lies in using the voice of millionaires to publicly advocate for ending extreme wealth, challenging the economic chasm created by growing inequality. The group emphasises that extreme wealth, fostered by the current economic system, is destructive, ineffective, and undermines trust in democracy. As an establishment voice with a bold message, Patriotic Millionaires UK collaborates with allies in supporting campaigns for meaningful economic change.

One of our core policy recommendations, in partnership with [Tax Justice UK](#), is for the introduction of a wealth tax. Setting a wealth tax with a high threshold of £10 million+ would impact only a tiny fraction of the UK population—just 20,000 individuals, or 0.04% of the UK population and is [projected](#) to raise £24 billion annually. As a group of individuals who would be directly affected by such a tax, members of Patriotic Millionaires UK use their voice to express public support for this fair and progressive measure.

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