

**Meeting to be held on 7<sup>th</sup> April 2014**

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**MEMBERS' EXPENSES AND ALLOWANCES**

**Executive Summary**

To review and clarify to Members the arrangements for claiming expenses and the latest position regarding an allowance in recognition of personal commitment in carrying out their role on the Panel.

**Recommendations**

That members note the current position and arrangements for claiming expenses.

**Background and Advice**

Initially there was some confusion as to the arrangements for the Payment of Expenses and an Allowance.

Process for claiming expenses

Having sought guidance from the Home Office on this issue, it has been clarified that the amount for each Member is for expenses incurred and not to be paid as an allowance.

The amounts payable are up to £920 in a full year. Looking at practice across the country in some Panels, each Authority is picking up the cost of expenses for their own Member/s (in light of the relatively small amounts involved).

Expenses should primarily be about travel, subsistence, loss of earnings and conference / training costs.

Members can only claim expenses for actual expenditure incurred. For example, if a member incurs expenditure over a year totalling £250, they claim that specific sum out of the overall Home Office potential allocation of £920. If a member has expenses which exceed the £920 'cap', the sum in excess of £920, cannot be claimed. For example, if there was a claim of £1,000 in total, £80 would not be recoverable by the Member.

Lancashire County Council initially hosted arrangements for the administration of Panel meetings. On the 8<sup>th</sup> July 2013, a decision was made for the hosting to be transferred to Blackburn With Darwen Council ['BWDC']. Members have been provided with the relevant contact details of each host authority, to make claims, dependent upon when costs were incurred.

Any expenses already paid by individual local authorities for PCP duties can be reclaimed from the relevant authority who were hosting at the time the expense was incurred.

In order to develop a more streamlined process, it is proposed that members should now claim their expenses from their individual authorities whom they represent. That total expense figure can then be reclaimed by each authority, from the host authority.

#### Allowance [in recognition of personal commitment]

The Panel Arrangements agreed by all Constituent Authorities on 31<sup>st</sup> July 2012 includes a provision at paragraph 7.2 that 'An annual lump sum allowance will be paid to each member of the Panel in recognition of their personal commitment and expenses arising in undertaking their role on the Panel. The allowance will be agreed annually by the Panel.'

This above allowance is akin to a special responsibility allowance [SRA], as would be seen in a remuneration panel report to a Council.

The Panel has not to date agreed to set such an allowance. Should it chose to do so this would then in effect be a recommendation to each Constituent authority's Independent Remuneration Panel' [IRP']. The cost of the Allowance is to be borne by each Constituent Authority.

Each Constituent Authority's Independent Remuneration Panel may consider the issue of allowances for Members and the Chairman of the Panel.

Enquiries have been made as to what other Panels are doing and sample findings are as follows:

#### *West Yorkshire*

The allowance cost is being met from each Authority rather than from the Panel's grant. These payments are subject to approval by each of the Authorities which has resulted in some Members getting the full amount recommended (£11,500), some receiving 50% (£6,000) and some receiving no payment.

#### *Suffolk*

As from 1st April 2014 the Chairperson of the Suffolk PCP will receive a 'special responsibility allowance' of up to £5,136 per year, depending on other commitments e.g. chairing another panel which also pays an allowance. No allowances were paid to panel members previously. The 2 independent

members of the panel receive a set fee of £70 per 4 hour meeting and the panel usually meets quarterly.

*Greater Manchester, Cumbria, Avon and Somerset, Kent and West Mercia*

The above Panels do not give allowances to their Panel members.

### **Consultations**

As set out in the report.

### **Implications:**

This item has the following implications, as indicated:

### **Legal Implications**

The Police Reform and Social Responsibility Act 2011 provides that the Secretary of State may provide financial and other resources to Members of Police and Crime panels in connection with the exercise of their functions. It also states that Panel arrangements may make provision about the payment of allowances to the said members.

Local Government Association[‘LGA’] Guidance also says that the Home Office funding will cover expenses of the local authority members but no funding for the allowances to members of the police and crime panel.

### **Financial Implications**

As set out in the report.

### **Risk management**

It is important clear and transparent procedures are established for claiming expenses by Panel Members. To not pursue an SRA for independent members could impact on the Panel’s ability to recruit and retain independent Members and therefore affect the host authority’s ability to meet the statutory requirements around Panel membership.

### **Local Government (Access to Information) Act 1985**

#### **List of Background Papers**

<u>Paper</u>	<u>Date</u>	<u>Contact/Directorate/Tel</u>
Police Reform and Social Responsibility Act 2011		Sian Roxborough
LGA Guidance on role and composition		Legal Services,BWDC
Police and Crime Panels		01254 585 252