

Agenda item

Police and Crime Panel

Meeting to be held on 8th July 2019

MEMBERS EXPENSES AND ALLOWANCES

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Executive Summary

To update on Members Allowances/Expenses pending further advice to be received.

Recommendation

That the Panel decide on Members Allowances following receipt of Home Office advice and the Terms of Reference of the Panel be updated accordingly.

Background and Advice

The LGA document: "Panel arrangements and the balanced appointment objective" dated May 2012 says:

"9 Allowances and Expenses

9.1 Each Authority has the discretion to pay its representatives on the Panel Special Responsibility Allowances, and to reimburse reasonable expenses incurred. No allowance or expenses payments will be made by the Panel itself to elected members. Any allowances or expenses which may be made to elected members arising out of Panel Membership shall be determined and borne by the appointing Authorities for each Panel Member individually.

9.2 The Host Authority, on behalf of the Panel will reimburse reasonable expenses to co-optees provided that this is agreed as part of the annual budget approved by the Panel."

Current position

This matter has been regularly considered by the Panel and most recently, on 10th December 2018. Expenses are referred to as being travel, subsistence, loss of earnings and conference / training costs.

Currently the Panel do not pay any `SRA's as each Constituent Council is left to set locally any allowances for its members who sit on the Panel (see above).

Over the years the scrutiny role of the Panel has evolved and now the Panel regularly sets out its Forward Plan for the year ahead and identifies areas it would wish to scrutinise in more detail. This may mean more meetings of the Panel and/or its sub-groups than originally envisaged. For this reason members may have/wish to have drawn this to the attention of their Constituent Councils when allowances for Panel elected members are reviewed.

Similarly in terms of SRAs for the Chair/Vice Chair of the Panels, it has been down to the relevant authority to consider paying an SRA if their Member has been appointed to one of these roles.

As was noted at previous meetings, there is no requirement to pay allowances to co-opted members and it is left to authorities to decide if they should be paid.

In respect of expenses it is clear from the Grant Claim Schedule that it is acknowledged that there will be some expenses incurred by Panel members. The grant Claim for Lancashire provides for up to £920 per member i.e. up to £16,560 per annum

To date the Panel has regularly underspent on this budget as it has primarily been used to reimburse attendance at external training events.

As reported in July 2018, since the earlier considerations of this matter by the Police & Crime Panel, a survey was undertaken by Frontline Consulting Associates. The result of their survey completed in January 2018 highlighted a practice that some Panels are clearly funding the payment of at least some allowances/expenses from the Home Office Grant whereas other were not. Payment from the grant for elected Panel Members would be `at odds' however with the Guidance produced above by the LGA in May 2012.

In November 2018, the Vice Chair and Panel Support Officer attended the Annual NAPFCP Conference and made enquiries as regards the current position and which confirmed that some Panels were making payments and others, like this Lancashire Panel were not.

Enquiries have also been made of the Home Office as regards this matter and the definition of `expenses` as set out in Schedule 1 of the Grant Agreement by Blackburn with Darwen Borough Council as the `host authority`. The advice is set out below:

“Paragraph 28 of Part 4 of Schedule 6 of the Police Reform and Social Responsibility Act 2011 Act provides that panel arrangements may make provision about the payment of allowances to members of the panel. The Home Office’s view is that allowances in this context will mean both paying allowances paid to members on a regular basis, or paying members’ expenses as and when they arise on proof of expenditure. Therefore, the Home Office considers that it is for panels to decide whether to pay allowances to their members.

Panels must, of course, keep this and other expenditure within the amount of the grant provided by the Home Office for any particular financial year. Such decisions, relating to the payment of allowances/SRA’s, must be taken whilst being cognizant of the key purpose of the grant; namely to ensure the effective local scrutiny of PCCs is in place. It is possible that the payment of allowances/SRAs will have an impact on the provision of other panel activities.

While I hope the above is a useful initial view, I would strongly recommend that you take legal advice from your own lawyers on this issue, rather than relying on the Home Office’s view.”

Given this advice the Secretary arranged for legal advice on behalf of the Panel in respect of whether the Panel could agree to pay allowances as suggested by the Home Office guidance above.

At the March meeting of the Panel it was agreed a further report would be made to this meeting.

Paragraph 11 of Part 2 of Schedule 6 of the Police Reform and Social Responsibility Act 2011 Act (“the Act”) requires panel arrangements to make provision about how the relevant authorities are to meet the costs of the panel.

Paragraph 20 of Part 2 of Schedule 6 provides that the Secretary of State may provide financial and other resources to a police and crime panel in the exercise of its functions, and to the members of the panel in connection with the exercise of their functions. The provision of financial and other resources by the Secretary of State may be subject to conditions.

There are conditions contained in the annual Grant Agreement between the Secretary of State for the Home Department and Blackburn with Darwen Borough Council for provision of police and crime panels. The Grant Agreement states that the grant funding may only be used for the maintenance of a police and crime panel to enable it to carry out the functions and responsibilities as set out in the Act. There is no specific provision or restriction in relation to the payment of “allowances” to panel members. However, the grant funding agreement does provide an “Expenditure breakdown” indicating that the funding is to be used towards “administration costs” and “member expenses”. In relation to 2018/19, the amount allocated for “member expenses” was £16,560. Although the Grant Agreement may allow a transfer of funds between the two elements the expectation is that any underspends in “member expenses” may

be used for additional administration costs of the panel provided the total grant amount is not exceeded. In addition, the Home Office who provides the grant funding have clearly advised that although allowances to members may be payable but it must not impact on the main purpose for which the grant has been provided and the other activities of the panel. Therefore, in view of the grant conditions and the advice provided by the Home Office, it is proposed that subject to the grant funding being received the following single annual payments (based on 4 ordinary meetings per year) are made from the “members expenses” allocations:

- The Chair of the Panel £600
- The Vice-Chair of the Panel £480
- Task & Finish group lead £400
- Task & Finish group members £300

These payments would also cover expenses and would be subject to regular attendance at all meetings. The other members of the Panel would continue to be able to claim expenses as when they arise on proof of expenditure.

Currently the Terms of Reference of the Panel reflect the original expectation/guidance provided in 2012 at the outset of the then `new` Panel arrangements and have not been updated pending a conclusion to the above.

It is suggested that once the Panel have decided on the payment arrangements for member's allowances these be updated accordingly.

Consultations

N/A

Implications:

This item has the following implications, as indicated:

Legal Implications

The legal position and advice is contained in the main body of the report. As stated above, Paragraph 28 of Part 4 of Schedule 6 of the Police Reform and Social Responsibility Act 2011 Act provides that panel arrangements may make provision about the payment of allowances to members of the panel. Therefore, as advised by the Home Office, the panel may decide to pay allowances to their members. However, Blackburn with Darwen Borough Council (as host authority) must comply with the grant conditions contained in the Grant Agreement and the Panel must consider the advice the Home Office has provided (who are the grant providers) with regards to the purpose of the grant and its use. The proposal referred to in the report would comply with relevant

legislation, the grant conditions and would be in line with the advice and expectations from the Home Office on the use of the funds.

Subject to the Panel agreeing to the proposal contained in the report, the Panel Arrangements are reviewed and the Home Officer/grant provider be notified of the changes.

Financial Implications

On 18th July a letter was sent to administering authorities (in the Lancashire Panel case – Blackburn with Darwen Borough Council in respect of the 2018/19 grant arrangements. This states that there will be £53,300 for administration costs for the Panel. In addition, £920 will be made available per member of the panel (including additional co-optees) for expenses.

Risk management

The provision of effective scrutiny by the Police and Crime Panel is in accordance with the provisions of the Police Reform and Social Responsibility Act 2011. The scrutiny role is increasing and the impact upon Panel Members should be reflected in the allowances made to Panel members.

Local Government (Access to Information) Act 1985 List of Background Papers

The LGA document: "Panel arrangements and the balanced appointment objective" dated May 2012