

NATIONAL ASSOCIATION OF POLICE, FIRE AND CRIME PANELS

A Special Interest Group of the Local Government Association

Advice Note: Can Panels use their Home Office Grant to pay their subscriptions to the Association?

1. The Grant Agreements for Essex, Norfolk and for Leicestershire & Rutland are identical except that in each a different "Recipient" is identified. There is no reason to suppose that this is not a common form for all Panels.
2. I have also seen the Grant letters for Essex and Norfolk. These could be relevant as the Grant Agreement is expressed to incorporate into its provisions and conditions to which the offer of grant is subject as set out in the Grant Letter. However, these Grant Letters contains no such conditions.
3. Further, I have checked if there are any relevant provisions contained in any of the subordinate legislation made by the Home Secretary by statutory instrument under the Police Reform and Social Responsibility Act 2011. There were none that I could find.
4. From these investigations I have concluded that there is only one provision which controls how Panels might lawfully spend the Home Office grant. By the Grant Agreement, the grant can only be applied to "eligible expenditure". Clause 3.4. of the Grant Agreement defines what is not "eligible expenditure as follows:

The following costs are not Eligible Expenditure: Payments that support activity intended to influence or attempt to influence Parliament, Government or political parties, or attempting to influence the awarding or renewal of contracts and grants, or attempting to influence legislative or regulatory action.

5. Controlling lower levels of government by conditional grants is a time-honoured practice throughout democratic countries. It is well developed in the United Kingdom. In Federal countries (eg: the United states, Canada and Australia) it has been developed as a way for the Federal Government to directly control local expenditure leap-frogging the State or Provincial governments.
6. There ought to be no problem in devising a form of words for inclusion in the Rules of the National Association ensuring that its activities do not fall outside the remit of eligible expenditure. The key phrase is "influence or attempt to influence" which clearly catches "lobbying" in the conventional sense. However, if the Association declares its purpose to be "to act as a focus for the exchange of information with, and liaison with, partner organisations involved in the governance of policing and fire and crime, on behalf of its member panels" (this is a first draft which requires refinement and also to be put into the right context) then there ought to be conformity with the conditions imposed on Eligible Expenditure.
7. Adopting a "belt-and-braces" approach, the Rules further could contain a specific provision reproducing the constraints set out in Clause 3.4. of the Grant Agreement, perhaps as follows:

The Association shall never engage in nor support activity intended to influence or attempting to influence Parliament, Government or political parties, or attempting to influence the awarding or renewal of contracts and grants, or attempting to influence legislative or regulatory action.

Dr C J Kemp; member, South Norfolk District Council;
Vice-Chairman, Norfolk Police and Crime Panel
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