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Dr David Wolfe
Chair of the Press Recognition Panel
Press Recognition Panel
107-111 Fleet Street
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Dear Dr Wolfe,

INDEPENDENT RECOGNITION PANEL – TEMPORARY EXCHEQUER GRANT

I am writing following your appointment as Chair of the independent Recognition Panel. As you will be aware, Article 11 of the Charter establishing the Panel sets out the money arrangements. In particular, Article 11.1 sets out that the temporary Exchequer grant for the first three years "*shall be in accordance with the principles of Managing Public Money*". This includes the independent Recognition Panel having an Accounting Officer for that three year period.

This means that, as Accounting Officer, you are responsible for meeting the requirements of *Managing Public Money* in so far as they relate to your use of the temporary Exchequer grant that you will receive for the first three years of operation. Chapter 3 of *Managing Public Money* gives further information about the responsibilities of an Accounting Officer.

After the initial period you will no longer receive an Exchequer grant and so your role as Accounting Officer will expire. Instead, the costs of the Panel in relation to the recognition functions and cyclical reviews will need to be met by the mechanism set out in Articles 11.4 to 11.6 of the Charter. This includes a cap on any fee payable, although this sum should not be seen as being the sum which should be charged. As you will be aware, the Leveson report made clear that activity of the recognition body should be minimal outside of the cyclical review



process and the day to day running of self-regulators is a matter for those industry self-regulators. Therefore, the Panel should continue to be mindful of the need to achieve value for money and that the functions of considering applications or carrying out cyclical reviews are not continuous activities.

It will be for the Panel to decide the arrangements which it wishes to make with the Comptroller and Auditor General about the audit of accounts under Articles 12.2 and 12.3.

The administrative arrangements in order to access the Exchequer grant are set out below:

- a. As Chair designate your role is as a member of the Appointments Committee in accordance with Schedule 1 of the Charter. The Charter does not provide for you to do anything further to set up the Panel during this period. However, it is of course possible that you may need specific assistance in this period to manage your forthcoming appointment as Chair, which could include communications support or the provision of meeting facilities.
- b. For the temporary Exchequer grants for the first three years, in accordance with Article 11.2 of the Charter, please provide to the Lord Chancellor an annual budget for the first financial year. The Permanent Secretary at the Ministry of Justice will then arrange for the sum of money requested for the first financial year to be granted to the Panel as a lump sum. You should then provide to the Lord Chancellor with budgets for the second and third years three months before the start of each financial year so that the Exchequer grants for those respective years can be made. For any requests under Article 11.7 please write to the Permanent Secretary at the Ministry of Justice, who will act on behalf of the Lord Chancellor, setting out the details.
- c. Craig Watkins, the Director of Finance and Planning at the Ministry of Justice can be contacted on 0203 334 4794 to make the arrangements for accessing the temporary Exchequer grant in relation to a. and b. above.

As you will be aware, Article 12.5 b) requires the Lord Chancellor to provide certain administrative assistance in laying documents before Parliament. Again you should write to the Permanent Secretary at the Ministry of Justice to enable this.

I am copying this letter to the Permanent Secretary and the Director of Finance and Planning at the Ministry of Justice, the Comptroller and Auditor General, the Clerk of the Committee of Public Accounts, and the Treasury Officer of Accounts.

you may

A handwritten signature in grey ink, appearing to read "N I Macpherson". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

N I Macpherson

