

A year in the Life of...

Simon is a partner and Chartered Accountant from our retained Accountants and financial advisors, Kinsella Clarke. Simon highlights some of the current financial issues faced by members.



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We think it's been nearly 12 months since we last wrote an article for Insight and what a year it has been. We have seen the rise of our football teams (apologies to Tranmere fans), we have seen the fall of our 70's role models. The best thing for us though was seeing recruits starting to come through again. It is with this in mind that we thought we would highlight the kind of matters that we have dealt with in this period and remind you all of what we can do for you.

Let's start with the sad stuff, the only certainty in life. Sadly a number of officers passed away last year. As a result of our free will writing service it was possible to smooth the financial path for the families of these officers. Where we were appointed as Executors we were able to handle the probate, taxation and distribution of the estate so that the families were allowed to concentrate on the grieving process.

It never fails to amaze us that this service has such a small uptake. We don't know whether it is because contemplating death is anathema to a lot of people. Whatever the reason, it is a bit of forward planning that could save your family's an awful lot of stress at a difficult time. It is also very important when you have second marriages, children from different relationships etc. So don't put it off, ring for a questionnaire or an appointment today.

The misery continues—from what we

see on a day to day basis the biggest issue in policing isn't whether Theresa May has a hissy fit or not—the biggest issue is debt. The last three years or so has seen pay freezes, increased pension contributions, reduced overtime and loss of allowances. Couple this with year on year inflation and most officers will have seen a considerable pay decrease. Interest free credit cards pretty much disappeared and converted into 18% interest rates on balances. This has had a dramatic effect on officers' disposable income.

Most of our appointments are based around debt issues. To give you an idea as to whether it may be time to come and discuss your budget with us we like to use the following guide. When your salary is paid in, do you actually go back into credit at the bank? Do you pay for groceries and petrol on your credit card? Is your mortgage more than three times your salary? All of these items are a big clue that you need to come and chat with us.

In the last year we have assisted many officers with their financial difficulties. We helped with budget management, arranging repayment agreements with creditor's right through to bankruptcy. Yes bankruptcy is allowed for police officer. Under normal circumstances you shouldn't lose your job as it is treated as a welfare rather than disciplinary issue. This is something that we address whilst giving our advice. What you can't do is book a holiday to the Maldives on your credit card the day before you come and see us.

As a result of officers debt we have attended Court more often than most

Solicitors. We have been involved in appeals and tribunals on their behalf. The reason, because officers are using the services of debt management companies. These companies take a minimum of 25% of your monthly repayments and the debt continues for an indefinite period. Most of our big cases involve officers who have been in debt management plans, have paid considerable amounts in good faith only to find that they actually owe the same amount as when they started and that they are now being pursued for the debt. Our advice—stay away from these companies and come and see us. We do not take any of your repayments and every penny you pay goes straight to your creditors from your own bank account. No funds pass through us, so you can be assured that your debt is being settled on the terms agreed through us.

Blimey, any good news? We hear you ask? Well yes—we have won CSA tribunals. One officer went in to the Tribunal owing £13,000 and came out the other side with a refund for £9,000. The general advice here would be not to assume that a CSA demand is going to be accurate. We have experienced a number of incorrect requests and have had a surprising number recalculated.

We have also had a number of Inland Revenue demands overturned for officers and retired officers who have a second income. Don't forget if you have an army pension or police pension, rental property or a second job it is all taxable.

So quite a year then. Remember our service is 100% confidential so don't be worried about coming in for advice. We're here to help.