

Cadeby Parish Council

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All Councillors are summoned to a

Cadeby Parish Council Meeting

On Thursday, 10th September, 2015 at 7.00pm
In Cadeby Church Hall, Church Lane, Cadeby

Agenda

1. Apologies
2. Declarations of interest, including requests for dispensations from members on matters in which they have a disclosable pecuniary interest
3. Approval of minutes from previous meeting on 29th May 2015
4. Co option of Dr Steven Morgan
5. Councillor Ivan Ould's report – TBC
6. Councillor Maureen Cook's report – TBC
7. Police Report
8. Public participation
9. Update of Actions since the previous meeting
 - a. Street Light in Church Lane
 - b. Highway, Church Lane
10. Mowing Church Yard
11. Church Hall Grant Application
12. Transparency Code for Smaller Authorities
13. Planning Applications
 - 15/00677/HOU New Farm, Hinckley Road Cadeby
 - 15/00738/TPOCA Hollybank, Main Street, Cadeby
 - 15/00740/TPOCA Manor Farm, Main Street Cadeby
14. Correspondence
15. Financial Report, including account balances, receipts and payments to be made and quarterly account review and sign-off. Risk Assessment updates and approval as appropriate.
Cheques to be approved
£349.90. Clerk's Salary
£87.60. Clerk's PAYE
16. Agenda items for next meeting

L Mayne, Parish Clerk

The Public and Press are welcome to attend all meetings of the Parish Council

Cadeby Parish Council

Financial Report: 10th September 2015

Business Money Manager Account				
Item	Date	Paid In (£)	Paid Out (£)	Total (£)
Opening Balance	5/29/2015			5,922.31
interest	6/5/2015	0.74		5,923.05
transfer to c a/c	7/7/2015		150.00	5,773.05
summer bbq	7/13/2015	400.00		6,173.05
grant monies	7/1/2015	9,950.00		16,123.05
precept	9/7/2015	1,796.00		17,919.05
interest	7/5/2015	1.47		17,920.52
VAT	9/7/2015	30.00		17,950.52
transfer to c a/c	9/10/2015		450.00	17,500.52
				17,500.52
Closing Balance				17,500.52

Community Account				
Item	Date	Paid In (£)	Paid Out (£)	Total (£)
Opening Balance	5/29/2015			800.94
cheque 100405	6/2/2015		367.85	433.09
cheque 100407	6/15/2015		33.75	399.34
cheque 100409	6/16/2015		75.00	324.34
cheque 100406	6/18/2015		87.40	236.94
transfer from mm a/c	7/7/2015	150.00		386.94
cheque 100410	6/24/2015		107.32	279.62
cheque 100408	7/14/2015		12.00	267.62
cheque 100411	7/15/2015		82.30	185.32
cheque 100412	7/17/2015		60.00	125.32
				125.32
transfer from mm a/c	9/10/2015	450.00		575.32
				575.32
				575.32
				575.32
				575.32
				575.32
				575.32
				575.32
				575.32
				575.32
Closing Balance				575.32

Cheques Outstanding	
cheque 100404	87.5

Transparency Code for Smaller Authorities

What is in this for local councils?

Local councils will be considering the implications of the implementation of the Transparency Code for Smaller Authorities and the forthcoming changes to the external audit regime. This LAIS contains a tabulated summary of the changes affecting local councils, pending more detailed guidance from Government and information about compensation for the new burdens created, which it is anticipated will be published in conjunction with the National Association of Local Councils prior to the financial year 2015-16 commencing.

Deadline: The changes affect councils with a turnover not exceeding £25,000 from 2015 as required under the implementing regulations to be made. The timetable and summary requirements for December 2014 – July 2016 are as follows:

- ⦿ December 2014 Transparency Code for Smaller Authorities issued as recommended practice
- ⦿ By end March 2015 Subject to Parliamentary approval Regulations to come into force to require compliance with Code for Smaller Authorities
- ⦿ Spring 2015 Proposed new burdens funding for smaller authorities to assist compliance with the Code (being negotiated between the National Association of Local Councils and the Department of Communities and Local Government)
- ⦿ April 2015 Publication of draft minutes from all formal meetings, not later than one month after each meeting, and of meeting agendas and associated meeting papers not later than three clear days before the meeting takes place
- ⦿ July 2015 Not later than 1 July 2015, publication by smaller authorities of first annual set of data completed which includes:
 - All items of expenditure above £100 (date incurred, summary of purpose, amount and VAT that cannot be recovered)
 - End of Year Accounts (the statement of accounts should be accompanied by a bank reconciliation and an explanation of significant variances and any differences between 'balances carried forward' and 'total cash and short term investments')
 - Annual governance statement
 - Internal Audit report
 - List of councillor responsibilities
 - Details of public land and building assets (description, location, owner/custodian, date and cost of acquisition and present use)
- ⦿ July 2016 Not later than 1 July 2016, publication of second annual set of data completed

Thereafter all of the requirements of the Code continue to apply, including for annual data. The requirement is for accurate information to be published on a website (a local council's own or that of their billing authority is acceptable) which is publicly accessible free of charge.

NALC L05-14 23 December 2014 refers and is available through your local Association. The Transparency Code for Smaller Authorities: December 2014 can be found at https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/388541/Transparency_Code_for_Smaller_Authorities.pdf

The following table is a summary of the changes affecting local councils as a result of changes to the external audit arrangements and the introduction of two new Transparency Codes

Category	Change	Mandatory External Audit	Mandatory Transparency Code
Parish meetings	<p>Parish meetings continue to be subject to external audit until 2017. Thereafter they will remain subject to the Freedom of Information Act 2000.</p> <p>Government has stated that it would be disproportionate and an unreasonable burden to place parish meetings under a duty to comply with the Code due to the level of resources and capabilities generally available to these bodies.</p>	<p>YES But parish meetings with an annual turnover not exceeding £25,000 will be exempt from the requirement to have a routine annual external audit from April 2017.</p>	<p>NO Exempt from the Transparency Code for smaller authorities.</p>
Parish/Town Councils Turnover not exceeding £25,000	<p>The Transparency Code must be complied with and provision has not yet been made to exempt these councils from external audit. However it is envisaged that an exemption would apply from 2017 by which point the required regulatory framework will be set.</p> <p>The existing external audit arrangements (for smaller authorities with a turnover not exceeding £25,000) will continue until the completion of the current Audit Commission contracts at the end of the 2016/17 financial year (apparently no exemption is possible until then). There is an overlap of two years during which the transparency requirements are in effect but relevant authorities cannot yet opt-out of having an annual external audit.</p> <p>The Department of Communities and Local Government recognise that this is an additional administrative burden and are currently developing a programme of funding with the National Association of Local Councils to address this and to assist smaller authorities in meeting the new requirements of the Code and to enable such authorities to be compliant with the transparency requirements with the minimum burden upon them. This work is at the planning stage but is aimed to commence before the start of the 2015/16 financial year. The Department is seeking to develop an approach that is flexible and responsive to the varying needs of individual authorities and regions of the country and that can start running as soon as possible in order to facilitate authorities' compliance for the start of the</p>	<p>YES But exempt from routine annual external audit from April 2017.</p>	<p>YES Must comply with the Transparency Code for Smaller Authorities from 2015.</p>

	<p>2015/16 financial year.</p> <p>It is Government's intention that from April 2017 the Code should be a replacement for external audit (for smaller authorities with a turnover not exceeding £25,000). Those councils may opt to also maintain an external audit. Government regards it as unlikely that authorities wish to maintain an external audit on a voluntary basis but if they did so wish, the intention is that this can be arranged by those authorities themselves or by contracting in to a Sector Led Body that will provide a bulk external audit procurement facility.</p>		
Parish/Town Councils >£25,000 to £200,000	Although these councils will be subject to changed external audit arrangements under the Local Audit and Accountability Act 2014 from 2017, there are no imminent changes to their arrangements.	YES	NO
Parish/Town Councils with a gross annual income or expenditure (whichever is the higher) exceeding £200,000 but not greater than £6.5 million.	Although these councils will be subject to changed external audit arrangements under the Local Audit and Accountability Act 2014 from 2017, there are no imminent changes to their arrangements. The Local Government Transparency Code 2014 is recommended practice but only Part 2 of the Code will be mandatory and then only for authorities with a gross annual income or expenditure (whichever is the higher) which exceeds £6.5 million.	YES	NO But the Local Government Transparency Code 2014 contains recommended practice for these larger councils.

Notes

The Local Audit and Accountability Act 2014 defines 'smaller authorities' as those where the higher of the authority's gross income for the year and its gross expenditure for the year does not exceed £6.5 million (Section 6). The Act permits Government to make regulations in respect of smaller authorities (Section 5). It also provides for relevant authorities, such as local councils, to be able to opt to have their external auditor appointed by a specified sector-led body (which is likely to include an arrangement involving the National Association of Local Councils) rather than to appoint an external auditor locally – which in itself is a new arrangement provided for under the Act (Section 17). The Local Audit (Smaller Authorities) Regulations 2015 have been drafted to make provisions for this, which it is anticipated will apply from 1 April 2017.

Those councils with a turnover between £25,000 and £6.5 million p.a. must still have an appointed external auditor to undertake an external audit of their accounts under the new arrangements. This external audit is a limited assurance arrangement, consisting of a review of an annual return submitted by the authority. Authorities with a turnover of less than £25,000 p.a. will be exempt from this requirement. However it is necessary to appoint an external auditor to them if an auditor must consider, for instance, an objection to the authority's accounts and all smaller authorities will be under a legal duty – as currently – to prepare a statement of accounts.

References

Local Audit and Accountability Act 2014 can be found at <http://www.legislation.gov.uk/ukpga/2014/2>

Local Audit and Accountability Act 2014: Local audit impact assessment can be found at

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/349418/2014_FINAL_Local_Audit_IA.pdf

The draft Local Audit (Smaller Authorities) Regulations 2015 can be found at <http://www.legislation.gov.uk/ukdsi/2015/9780111126103/contents>

Draft transparency code for parish councils with a turnover not exceeding £25,000 Consultation summary of responses: August 2014 can be found at

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/341231/140805-

[Transparency_Code_for_Parish_Councils_Consultation_Summary_and_Response.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/341231/140805-Transparency_Code_for_Parish_Councils_Consultation_Summary_and_Response.pdf)

The Transparency Code for Smaller Authorities: December 2014 can be found at

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/388541/Transparency_Code_for_Smaller_Authorities.pdf

NALC Legal Briefing L01- 14 27 May 2014 The Local Government Transparency Code for parish councils with a gross annual income or expenditure exceeding £200,000 (England only) and L05-14 December 2014 Transparency Code for parish councils with an annual turnover not exceeding £25,000 (England only) are available through your local Association

Local Government Transparency Code 2014 can be found at

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/360711/Local_Government_Transparency_Code_2014.pdf

Future of Local Audit Consultation on secondary legislation: summary of responses and the Government Response can be found at

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/383694/Future_of_Local_Audit_Consultation_Summary_and_Response.pdf

Guide and Transparency Code

What is in this for local councils?

Local councils will wish to be aware that Regulations have been made which bring into force the Transparency Code for Smaller Authorities on 1 April 2015 which applies to councils with an annual turnover not exceeding £25,000.

Additionally, Government has published a guide which provides an overview of the changes to the audit and accountability regime for 'smaller authorities' (note that this means those with a gross annual turnover below £6.5 million). Whilst not providing any major new insights into the regime, it is a relatively easy to read and authoritative overview of the forthcoming changes, providing the context for the imminent application of the Transparency Code.

It is understood that negotiations continue between the National Association of Local Councils and Government on a fund designed to address the fact that local councils with a turnover not exceeding £25,000 are to be subject to both a Transparency Code and an external audit.

See *References* (below) for details of where to find the Regulations, Guide and the Code.

Date: 1 April 2015 Code comes into force

References to local councils: Regulations and Guide apply to local councils

Pages: Transparency Code for Smaller Authorities – 13; Regulations – 3; Guide – 10

Details

Transparency Code for Smaller Authorities

The Local Government, Planning and Land Act 1980 (as amended by the Local Audit and Accountability Act 2014) provides Government with the power to create a Code requiring local authorities (includes local councils) to publish certain information. Government may only require certain types of information to be published more than once a year (section 3). Under the Local Government (Transparency)(Descriptions of Information)(England) Order 2015, this includes smaller authority agendas, minutes and related information.

The *Transparency Code for Smaller Authorities* was issued on 17 December 2014 and the implementing regulations have been laid before Parliament (9 March 2015) and comes into force on 1 April 2015. LAIS 1372 and NALC Legal Briefing L05-14 refer and are available through your local affiliated Association. This Code only applies to councils with an annual turnover not exceeding £25,000.

The first requirement, which will apply on 1 April 2015, is the publication on a website (publicly available free of charge) of draft minutes not later than one month after each meeting and agendas and associated meeting papers not later than three clear days before the meeting. The second round of requirements will apply from July 2015 when the first annual set of data completed must be published on a website.

The National Association of Local Councils continues in its negotiations with Government over a fund, designed to 'support the sector' to comply, although in Government's view 'compliance with this Code will not place a significant burden on these authorities'. However, these councils will also have to continue to comply with external audit requirements until 2017. Local Associations will advise further about the fund as soon as information as available.

Changes to the Smaller Authorities' Local Audit and Accountability Framework: A Guide

Currently all smaller authorities are subject to what is described as a 'light touch assurance' external audit (a check on their annual return) rather than a full external audit of their accounts. Government is changing these audit arrangements as outlined in the Guide.

The first important point to note is that the Guide only reflects **external** audit requirements. Internal audit arrangements are unaffected by the recent changes. Secondly, the Guide reflects the changes which affect local councils classed as 'smaller authorities' under the Audit and Accountability Act 2014 (those with a gross annual turnover below £6.5 million), including those above £25,000 (described as 'non-exempt' in the Guide) and 'exempt authorities' (as they are described in the Guide) with a turnover not exceeding £25,000. Confusingly, 'exempt authorities' are not exempt from external audit until 2017 and they are described as 'smaller authorities' for the purpose of the new *Transparency Code for Smaller Authorities* whereas local councils of all turnovers below £6.5 million are 'smaller authorities' under the Act and the Guide.

Table of the Changes Explained in the Guide (Key points for local councils in bold print)		
Date	Change	Detail
31 March 2015	Audit Commission closes.	<ul style="list-style-type: none"> Responsibilities transfer to Public Sector Audit Appointments Limited. Arrangements with existing external audit firms continue until end of 2016/17 audits.
1 April 2015	The Comptroller and Auditor General becomes responsible for publishing the Code of Audit Practice and for issuing guidance to auditors.	<ul style="list-style-type: none"> The day-to-day work is likely to be conducted in practice by the National Audit Office. The new Code of Audit Practice will take effect for the 2015/16 accounts onwards. Auditors' work on 2014/15 annual accounts will be conducted under the Audit Commission's existing Code of Audit Practice. The National Audit Office will also prepare, update and publish Council Accounts: a guide to your rights, which explains how local residents and electors can exercise their legal rights in respect of the accounts.
From 1 April 2015	The Transparency Code for Smaller Authorities comes into force and certain information must be published.	<ul style="list-style-type: none"> All local councils and parish meetings remain subject to external audit. The Transparency Code for Smaller Authorities applies to councils with a turnover not exceeding £25,000. These authorities must publish the draft minutes from all formal meetings (i.e. full council or board, committee and sub-committee meetings) not later than one month after the meeting has taken place. They must also publish meeting agendas, which are as full and informative as possible, and associated meeting papers not later than three clear days before the meeting to which they relate is taking place. Parish meetings are exempt from the Transparency Code for Smaller Authorities.
By 1 July 2015 and no later than 1 July in each subsequent year	Under the Transparency Code for Smaller Authorities certain information must be published.	<p>The following must be published:</p> <ul style="list-style-type: none"> All items of income and expenditure above £100. End of year accounts, annual governance statement, and internal audit report (as contained in the annual return). The end of year accounts should be accompanied by a copy of the bank reconciliation for the relevant financial year; an explanation of any significant variances (e.g. more than 10-15%, in line with proper practices) in the statement of accounts for the relevant year and

		<p>previous year; and an explanation of any differences between 'balances carried forward' and 'total cash and short term investments', if applicable.</p> <ul style="list-style-type: none"> • A list of councillor or member responsibilities. • Details of public land and building assets.
From 1 April 2016	The RFO will set inspection periods.	<ul style="list-style-type: none"> • The external auditor will continue to set the dates for public inspection of the 2014/15 local council accounts. However, in the subsequent year, subject to certain requirements, the smaller authority's Responsible Financial Officer (RFO) will have some discretion to set the 30 day period for inspection of the 2015/16 accounts. • The earliest and latest dates for commencement of the 30 day period for the 2015/16 accounts will be 9 June 2016 and 1 July 2016.
By 31 December 2016 no later than 31 December each subsequent year	Local councils subject to external audit will appoint their external auditor.	<ul style="list-style-type: none"> • Smaller authorities must have appointed an external auditor to undertake an assurance review of the 2017/18 accounts. • A new appointing body will have powers to appoint auditors and set audit fees for smaller authorities. These arrangements for a sector-led body are likely to be supported by the National Association of Local Councils and local affiliated Associations will ensure you have further information as soon as it is available. Local councils will be able to opt-out and make the auditor appointment themselves.
1 April 2017	Certain councils become exempt from routine external audit.	<ul style="list-style-type: none"> • For the 2017/18 financial year smaller authorities whose annual turnover does not exceed £25,000 will, in most circumstances, be exempt from undergoing a routine external audit. They must meet requirements set out in the Transparency Code for Smaller Authorities instead. Parish meetings are not subject to the Code and will also be exempt from routine external audit (although internal audit might be required where transactions occur). • However an auditor must be available to deal with any question or objection made by an elector to the accounts of these authorities. Exempt authorities that decide to use any appointing body's arrangements will not have to have an auditor appointed automatically. If an elector wishes to question or object to the accounts, they will have to contact the appointing body who will then assign an auditor to deal with the matter. If the authority's turnover rises above £25,000 during the year it must tell the appointing body and the appointing body will appoint an auditor for that year. • Exempt authorities that opt out of the appointing body's arrangements will be required to appoint their own auditor as if they were not exempt. The auditor of an exempt authority will not undertake an external audit but will need to be available to deal with questions or objections from local electors about the accounts. • Smaller authorities above the £25,000 threshold continue to be subject to routine external audit but can use the appointing body's auditor appointment arrangements or can opt out and make their own arrangements. • Smaller authorities (exempt and non-exempt) that choose to opt out of the appointing body's arrangements have to take the decision at full council; notify the appointing body of their decision by a set deadline; establish an independent auditor panel to advise on the

		<p>appointment of the auditor; and procure an auditor either alone or collectively with others. Non-exempt smaller authorities that use the appointing body’s arrangements will not need to establish an independent auditor panel and will have an auditor appointed for them.</p>
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References

The Transparency code for smaller authorities can be found at [https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/388541/Transparency Code for Smaller Authorities.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/388541/Transparency_Code_for_Smaller_Authorities.pdf)

Changes to the smaller authorities’ local audit and accountability framework: a guide can be found at [https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/411617/Changes to the smaller authorities local audit and accountability framework a guide 2 .pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/411617/Changes_to_the_smaller_authorities_local_audit_and_accountability_framework_a_guide_2_.pdf)

The Smaller Authorities (Transparency Requirements) (England) Regulations 2015 can be found at <http://www.legislation.gov.uk/uksi/2015/494/contents/made>

The Local Government (Transparency) (Descriptions of Information) (England) Order 2015 can be found at http://www.legislation.gov.uk/uksi/2015/471/pdfs/uksi_20150471_en.pdf

The Local Audit and Accountability Act 2014 can be found at <http://www.legislation.gov.uk/ukpga/2014/2/contents/enacted>

LAIS 1372 is available through your local Association

NALC Legal Briefing L05-14 is available through your local Association

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