

White Rose Update Summary for Councillors Jan 2016

Please note that this document contains information subsequent to our Council membership of the YLCA. The information contained is to provide a summary of the professional guidance notes received this month and are for Councillor reference.

New Audit Regime: the opting-out question

Importantly all councils, no matter what their size need to acknowledge that they must have an external auditor in one way or another. The opportunity to opt out is not about opting out of having an external auditor!

YLCA has recently received the guidance for this process, which has been prepared by the Chartered Institute for Public Finance and Accountancy (CIPFA). It is 54 pages long and seems complex.

Councils and parish meetings with income or expenditure under £25,000 will use their website (or a community website or other public internet platform) to display their financial information, and the form of external audit for them will be public scrutiny from the electronic site. These bodies will still need to appoint an external auditor but only for the purpose of dealing with complaints about the accounts from the public, should any arise.

It can be clearly seen now why the Transparency Code and Transparency Fund were introduced in 2015 because they are in preparation for and in conjunction with the new audit regime. YLCA stresses again that all of this is mandatory and we are not sure what will happen if smaller councils are not prepared

Any council or meeting that is considering opting-out of the SLB arrangements needs to be sure that it has read the CIPFA guidance before making the decision. A reminder this decision must be conveyed to the SLB by 31 March 2016.

Understanding the role and responsibilities of combined authorities

Combined authorities are a legal structure that may be set up by local authorities in England and they can be set up with or without a directly-elected mayor. The relevant legislation is the Local Democracy, Economic Development and Construction Act 2009, plus the Cities and Local Government Devolution Bill, expected to receive Royal Assent in 2016.

Combined authorities may be set up by two or more local authorities and they may take on statutory functions transferred to them by an Order made by the Secretary of State, plus any functions that the constituent authorities agree to share. The first combined authority to be established was the Greater Manchester Combined Authority, in 2011 with further combined authorities established in the North-East, West Yorkshire, Sheffield and Liverpool in April 2014.

In 2014-16, the Government has negotiated 'devolution deals' with several areas and each of the existing combined authorities has negotiated a deal. New mayoral combined

authorities have been proposed in the Tees Valley, West Midlands, and (in draft form) the 'North Midlands' (Nottinghamshire and Derbyshire). Liverpool, Greater Manchester, Sheffield and the North-East will introduce a directly-elected mayor as part of their devolution deal. Further details of this process can be found in a Commons Library Briefing Paper "Devolution to Local Government in England" which we have e-mailed to all members. The very few that don't have e-mail can find it on the YLCA website. The devolution issue is a hot topic and this Paper provides concise, easy to read information.

Summary of a Letter from the Chairman of the National Association of Local Councils

To: All parish and town councillors in England,

I have the great honour of being NALC's chairman for another year following my re-election by colleagues from county associations a few weeks ago; I am grateful for their support.

Therefore at the beginning of this New Year I wanted to reflect on some of the achievements we have made together over the last year and set out some of the challenges we will all face in 2016 and beyond.

Ensuring local councils are at the forefront of the devolution debate Improving relations with principal councils and the Local Government Association Maintaining our influence with government, civil servants and Parliamentarians

We have met all of the new Ministerial team and they have been most supportive of the role and importance of local councils. This confidence was reflected in NALC being chosen to lead the establishment of a company to procure auditors for local councils and being awarded £3.7m to set up a Transparency Fund to help smaller councils buy computer equipment and set up websites to make financial and other information more readily available to their residents.

We will continue to lobby on your behalf and build on previous successes including winning the argument about council tax referenda principles, slowing the withdrawal of council tax support funding, making it easier to set up new councils and reforms to parish polls.

Involving more of you in our advocacy work is one of our recent changes in direction and has seen us take councillors, clerks and county association officers to meetings with ministers and civil servants. In June last year we held our first ever lobby day to promote parishes in Parliament, which saw NALC and county associations engage with over 50 parliamentarians and lay the foundation to build on over the course of the Parliament, including on our second lobby day in April.

But we still need your help, especially talking to your MPs and telling them what great things you are doing and getting them to support the changes we are calling for on your behalf. National Council has tasked every county association representative with holding

at least 6 meetings with MPs in 2016 and I would like to urge all councils to play your part and help build good relations with your MP.

Sharing and celebrating good practice

We need to get the message across about the impressive work local councils do from helping build dementia friendly communities to running local facilities; from supporting local economic development to enhancing broadband capacity.

We are sharing these experiences better than ever before on our web site, through conferences and events, publications and social media. Last year over forty councils featured on our home page as Council of the Week and nearly two hundred applied to our re-launched Star Councils awards, with Frome Town Council being recognised as Council of the Year.

We will continue these initiatives in 2016 and I would encourage all of you to consider participating and sharing what you do with others – NALC's Twitter account is a great way of finding out what's going on around the country.

And don't forget to share what you are doing with local residents and the local media, letting us know about any coverage you receive.

Creating new councils and growing membership of county associations and NALC

We also all need to sell the benefits of membership of county associations and NALC to those fifteen per cent not in membership. Word of mouth is usually very persuasive and I would ask you all to contact colleagues in councils not in membership and tell them of the great work we all do: we will genuinely all be stronger and more influential if we have all councils in membership.

Developing an improvement strategy to take forward our ambitions of a sector led approach to improvement

Finally and most importantly we need to improve as a sector to demonstrate unequivocally that we are up to the challenge and able to perform a key role in the country's local governance.

Last year we launched the Local Council Award Scheme to promote best practice, good governance and sector-led improvement, with take-up encouraging; the new CiLCA qualification is also going well and provides a solid foundation of knowledge for all clerks.

This year I would encourage all of you to consider applying to the Local Council Award Scheme, to encourage all clerks to achieve CiLCA, and to make sure councillors are getting the training and development they need to enable them to make the most of the important public roles they perform.

In conclusion, the key to these achievements and to meeting the challenges ahead is the new culture of working together – local councils, county associations and NALC. By working even better together we can build on what we've achieved so far, on all of our good work. I want us to step up a gear this year, to shift from good to great – going from doing good things to great things!

Good Councillor's Guide 2016

This very popular booklet has been updated to include the separate addendum that was issued to update the fourth edition; we are informed that the changes are slightly more detailed than in the addendum. A hard copy is available for member councillors for £2.20 plus p&p from YLCA or a pdf copy from your Clerk

The Intricacies of Agendas

As a local authority a local council can only make a lawful decision on an issue at a meeting where the issue has been specified on the agenda; it is therefore important that the business to be transacted at any meeting is specified in detail. Agenda items should begin by describing what the council or parish meetings needs to do, ie 'To consider', 'To resolve' or 'To discuss'. The agenda must be issued at least three clear days prior to any council or committee meeting taking place (or in accordance with any provision in a councils' Standing Orders). It must be signed by the Proper Officer (the clerk) and a notice of the meeting has to be displayed in a 'conspicuous' place in the councils area.

The summons: The agenda must summon the councillors to meetings; it is a legal summons belonging to that person (Local Government Act 1972, Schedule 12, paragraph 10). An electronic signature can be used and councillors have a duty to attend. It can be sent by post or by e-mail (with the councillor's consent).

A Public Session? A public session is not mandatory and can be held prior to, after or within the meeting. If held within the meeting it becomes part of the meeting and needs formal minuting. A session held outside of the formal meeting should be *noted*. Care needs to be taken not to record verbatim minutes and to be wary of naming members of the public (or making reference to anything that may make them identifiable, e.g. address) in the minutes.

Members of the Press and Public It is important to note that all meetings of the council (and all committee and sub-committee meetings) must be open to the press and public; the press and public cannot be excluded from a parish council meeting unless a council takes a formal resolution to exclude them because it believes that the business that it is dealing with is prejudicial to the public interest, Public Bodies (Admissions to Meetings) Act 1960.

Apologies and approval of reasons for absence It is sensible at the meeting to have an agenda item that separates the noting of apologies for absence and the voting on the acceptance of reasons. This could be framed as 'To receive and note apologies for absence and consider reasons given for non-attendance'. There is no requirement to record the actual reason for absence in the minutes as these could be sensitive or could create a security issue depending on the circumstances. It is YLCA's view that a councillor who gives a reason for absence should have that reason considered by the council as that member has acted in good faith and is having regard for the fact that the approval of a reason for absence could help him/her not to lose his/her seat through non- attendance (S. 85 Local Government Act 1972).

Declarations of interests and dispensations.

Any declarations of interest not already declared under the council's code of conduct or members Register of Disclosable Pecuniary Interests should be noted and any requests or applications for dispensation considered.

Approval of the minutes of the previous meeting: It is a legal requirement that minutes of previous meetings are signed at the next suitable meeting by the person presiding (Local Government Act 1972 Schedule 12 paragraph 41 (1)); it is therefore necessary to include this as a regular agenda item. Remember that this item of business is for the council to

confirm what is written is what happened and what was agreed at the previous meeting; it is not an opportunity to question the merits or otherwise of the decisions that were made.

A word about Planning Applications: All planning applications to be considered at a council, committee or planning committee meeting must be noted on the agenda for that meeting.

A word about Financial Matters: The clerk's and salaries of other employees will have been agreed in advance (as a legal duty within contracts of employment) the actual amount to be paid need not be listed on the agenda; but making reference to the fact that salaries have been paid is sensible. There is no requirement for the amount paid to be in the public domain. YLCA is keen to encourage financial officers to produce a bank reconciliation on a monthly basis (or relative to meeting frequency).

Any Other Business: The YLCA advocates that 'Any Other Business' is excluded from council agenda and can confirm that no decisions of the council can be made under this heading as the business to be transacted is not specified.

Latest Legal Topic Notes

Legal Topic Note 87: Procurement and NALC Legal Briefing (L05-15) Public Contracts Regulations 2015 (impact on the standing orders and financial regulations adopted by councils).

These have been updated to take into account that the financial thresholds in the Public Contracts Directive 2014/24/EU which apply to the Public Contracts Regulations 2015 were amended in November 2015 and take effect from 1 January 2016.

Legal Topic Note 79 – Staff Pensions

The revised NALC LTN 79 - Staff Pensions, contains additional information which was not previously included - offering brief explanations and directing the reader to links to Pensions Regulator publications:

Paragraph 14 – Postponement; the employer's (the council's) ability to postpone/delay automatic enrolment for up to 3 months.

<http://www.thepensionsregulator.gov.uk/docs/detailed-guidance-3a.pdf>

<http://www.thepensionsregulator.gov.uk/docs/detailed-guidance-3b.pdf>

Paragraph 15 - Safeguarding individuals; highlighting the penalties included in Pensions Act 2008 for those employers who 'encourage' employees or potential employees to opt out.

<http://www.thepensionsregulator.gov.uk/docs/detailed-guidance-8.pdf>

Paragraph 17 –Re-enrolment: highlights the requirement for those employees who 'opted out' to be enrolled into a Qualifying Pension Scheme (QPS) every 3 years from the opt-out date.

Please note: Qualifying Earnings for the financial year 2016/17 remain the same: Eligible Worker -automatic enrolment gross earnings of £10,000 pa or more; non-eligible worker gross earnings of £5,824 or more; entitled worker gross earnings of below £5,824.

Coming to your local council - Workie says “Don't ignore the Workplace Pension!”

This article serves as a further reminder about workplace pensions, but it is vitally important that all councils check their staging date for auto enrolment.

This is the council's responsibility, not that of the employee, ie the clerk or other workers. YLCA has sent out a lot of information about auto enrolment, which will affect all employers both larger and small, and this includes very small councils.

If your council has not yet done any research into what needs to happen under auto enrolment, a good website to visit is the Pensions Regulator at:
<http://www.thepensionsregulator.gov.uk/en/employers>

More detailed checks by the banks

A couple of councils have let us know that their bank has requested details of councillors who are not cheque signatories in addition to those who are. This is one of the areas that has been tightened up by the Anti Money Laundering (AML) Directive and therefore, if your council's bank asks for additional details, don't be worried or surprised.

In June 2015 the EU issued the 4th (AML) Directive which has added to procedures that were already in place. One of the implications of this is that organisations, banks in particular, now have a responsibility to maintain a register of all 'beneficial owners' of organisations; the UK as a whole has to maintain a central register, and therefore banks (and many other institutions) have to be able to provide information as requested.

LATEST CONSULTATIONS

National Planning Policy: consultation on proposed changes

This consultation is seeking views on some specific changes to National Planning Policy in the following areas:

- broadening the definition of affordable housing, to expand the range of low cost housing opportunities for those aspiring to own their new home;
- increasing residential density around commuter hubs, to make more efficient use of land in suitable locations;
- supporting sustainable new settlements, development on brownfield land and small sites, and delivery of housing allocated in plans;
- supporting delivery of starter homes.

Consultation closes at 11.45pm on Monday 22 February 2016

Proposed changes and details on how to respond to the consultation can be found at:
<https://www.gov.uk/government/consultations/national-planning-policy-consultation-on-proposed-changes>

SLCC – North Yorkshire Branch Training Day and AGM

We are pleased to advertise this SLCC event: An invitation is extended to all clerks (SLCC non-members welcome) and councillors in the North Yorkshire area.

Topics covered include finance, audit, the role of the Clerk, remuneration of this officer and a council's responsibilities as the employer. The event will provide an opportunity to gain expert knowledge and advice, network and meet SLCC area representatives.

Lunch is included.

Date: Saturday 19 March 2016 Time: 10am – 4pm Venue: Helmsley Sports club Cost: £30 Early bird rate (booked and paid by 29 February 2016) £35 Booking and payment taken after 29 February 2016

For further information and a booking form contact Dinah Farley on 01653628858 at

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