

Transparency code

What is it?

The Transparency code was issued to meet the Government's desire to place more power into citizen's hands to increase democratic accountability. The Government considers that the publication of the items in this Code will provide the local electorate and ratepayers with a clear picture of the activities of smaller authorities with a turnover of less than £25,000. Most of the information is already produced by the majority of smaller authorities and they therefore consider that compliance with the Code will not place a significant burden on these authorities.

The code is issued by the Secretary of State for Communities and Local Government in exercise of his powers under section 2 of the Local Government, Planning and Land Act 1980 as amended by section 38 of the Local Audit and Accountability Act 2014, to issue a code of recommended practice as to the publication of information by local authorities about the discharge of their functions and other matters which he considers to be related.

This Code does not replace or supersede the existing legal framework for access to and re-use of public sector information provided by the Freedom of Information Act 2000 (as amended by the Protection of Freedoms Act 2012), Environmental Information Regulations 2004, the Re-use of Public Sector Information Regulations 2005 and Infrastructure for Spatial Information in the European Community (INSPIRE) Regulations 2009.

The Government believes that local transparency can be implemented in a way that complies with the Data Protection Act 1998. Where smaller authorities are disclosing information which potentially engages the Data Protection Act 1998, they must ensure that the publication of that information is compliant the provisions of that Act. The Data Protection Act 1998 does not restrict or inhibit information being published naming councillors, members or senior local authority officers who have taken certain decisions, because of the public interest in the scrutiny of such senior individuals and decision makers.

The Local Audit and Accountability Act 2014 sets out a new audit framework for local public authorities which are currently covered by the Audit Commission regime. Under the new framework smaller authorities, including parish councils, with an annual turnover not exceeding £25000 will be exempt from routine external audit. In place of routine audit, these smaller authorities will be subject to the new transparency requirements laid out in this Code. This will enable local electors and ratepayers to access relevant information about the authorities' accounts and governance.

What does it mean?

To comply with the Code certain documents would need to be published at certain intervals and at certain times.

On an annual basis smaller authorities need to publish:

- All items of expenditure above £100 – Publishing a complete list of expenditure transactions will also meet this requirement. Expenditure information should be published for each individual spending transaction above £100 rather than each item bought. The £100 threshold should be, where possible, the net amount excluding

recoverable VAT. For each individual item of expenditure above £100 the following information must be published: date the expenditure was incurred, summary of the purpose of the expenditure, amount and VAT that cannot be recovered.

- End of year accounts – These should be published according to the format included in the Annual Return Form. Publication of the appropriate page of the Annual Return Form will meet this requirement. The statement of accounts must be approved and signed by the Responsible Financial Officer and the Chairman of the meeting approving the statement of accounts. The statement of accounts should be accompanied by a copy of the bank reconciliation for the relevant financial year, an explanation of any significant variances in the statement of accounts for the relevant year and previous year and an explanation of any differences between balances carried forward and total cash and short term investments, if applicable.
- Annual governance statement – This should be published according to the format included in the Annual Return Form. Publication of the relevant page of the completed Annual Return form will meet this requirement. Should the form include any negative responses, these should be explained fully, including how many weaknesses will be addresses.
- Internal audit report
- List of councillor or member responsibilities
- The details of public land and building assets
- Minutes, agenda and meeting papers of formal meetings.

What is the impact?

What do we need to do now?

The Council *should* have been compliant with the Transparency Code in July 2015, however, the Council need to note that they currently aren't compliant and agree a plan to move towards and achieve compliance with an associated timescale.

What else do we need to consider?

The website – is the design of it fit for the purposes of the Transparency Code? If it isn't can it be altered sufficiently to accommodate the requirements?

Who is going to update the website? The minutes need to be published on a regular basis and the financial information on an annual basis.

Transparency funding

Anything else?

The Council don't seem to have a Freedom of Information request publication scheme – this should have been done in 2002. There are template documents available on the Information Commissioner's Office website. This scheme should be reviewed annually and allows the Parish Council to state what they publish and any cost involved in providing hard copies of published documents.

It is recognised good practice for the Clerk to be using specific IT equipment for the Parish Council – laptop or similar. The Transparency funding can fund up to £350 towards the

purchase of such equipment. This equipment is then the property of the Parish Council and goes with the post, along with any information stored on it.

It has been recognised for a short while that emailed Agendas and Minutes are lawful, the Agenda is emailed out via the NHW scheme email list and is placed on the noticeboard, do we still need to provide a printed copy for the public at expense to the council?

Recommendations

I recommend that the financial statement spreadsheet is published annually to ensure that all expenditure over £100, with associated details, is published.