JOINT PRACTITIONERS' ADVISORY GROUP | NOTES

Date	11 December 2024
Time	09.00 - 11.00
Location	Zoom

Agenda	
Item number	
1	**Attendees**: Jennifer Bevan, CIPFA **JB**; Annie Child, SAAA **AC**; Ja'Neen Day, WALCA (NALC Representative) **JD**; Derek Kemp, Chair **DK**; Andrew Kendrick, NAO **AK**; Alan Mellor, SLCC (Chair) **AM**; Mark Mulberry, IAF **MM**; Carolyn Rossiter, SAAG (NAO Representative) **CR**. Claire Reed, secretariat **CLR**. **Apologies**: None;
2	**Declarations of Interest** DK declared an interest in discussions relating to the production of year-end financial statements.
3	Notes from the meeting held on 14 November 2024. **Agreed**
4	**Changes to boxes 11a and b (Trusts) as proposed by SAAA & NAO** It was **agreed** to remove boxes 11a and b from the AGAR and replace them with a single Box 11 that states "Do the figures in the accounting statements above include any Trust transactions?" This does not change what is being disclosed but aims to reduce confusion and error in reporting. The change will require a change to the Practitioners' Guide for 2025 and 2025-26 AGAR. **Action: CLR to draft changes to the Practitioners' Guide**.
5	**External Auditor correspondence relating to generic email addresses (1.26, p.12)**

	It was **noted** that a number of Local Authorities had received a letter following the completion of their Limited Assurance Review stating; 'If the Council has not created a generic email address by 31 March 2025, then this could result in either a qualification or other matter on the 2024/2025 AGAR.' The letter refers to guidance in Section 5 of the Practitioners' Guide and was sent to Clerks without .gov.uk email addresses. The Panel **agreed** that this was outside the scope of the Limited Assurance Review as the use of .gov.uk domains is recommended practice and not mandatory. It was noted that the new assertion 10 removes the reference to a 'generic email address' and instead states; 'the use of personal email addresses or free accounts is not acceptable.' **Action: CR/ AK to feedback via the Auditors Group.**
6	**Proposals for SAPPP branding** The Panel liked the typeface and colour palette of Option B but with the full panel name included. **Action: CLR to liaise with the designer.**
8	**Discussion on the purpose of Proper Practices** After a lengthy discussion, it was **agreed** that whilst the AGAR provides some useful information on the activities of a smaller authority it is limited and there is scope for improvement. It was **noted** that the move to the AGAR was designed to remove the complexity and cost of audit. There was general **agreement** on making changes to the Proper Practices to require smaller authorities to produce some form of accounts, possibly a balance sheet and details of income & expenditure, this is to be considered further. It was felt that this would improve transparency and help to pick up difficulties in council finances before they become too serious. It was **noted** that changes to reporting of accounts may require development of training for Clerks/ RFOs; changes to what is required of the EAs; and for software providers to makes changes to their programmes. It was **noted** that NALC & SLCC have partnership

	agreements with some software providers and that proposed changes could be raised with software providers through these established links. Financial risk in smaller exempt authorities (under 25k) and the potential for reputational risk to the sector was raised. It was **noted** that these authorities are not exempt from Proper Practices, only from the Limited Assurance Review, therefore reducing this risk should be factored into the revised Proper Practices. **Action: DK/JD to meet with Jonathan Owen** SAAA have had preliminary discussions with CIPFA regarding support in setting Proper Practices. JB suggested a more appropriate contact at CIPFA. **Action: JB to facilitate a meeting between CIPFA and SAAA.** It was **agreed** that the review of Proper Practices should start with evaluating CIPFA's last Purple Book to inform decisions on what should be reported on the AGAR. **Action: JB to see if CIPFA hold a copy of the last Purple Book in their archive that can be circulated.** It was **agreed** that SAPPP needs to take ownership of this review and make it the primary focus of panel.
9	**The structure of Proper Practices** See above.
10	**Review the legal basis of Proper Practices** It was **noted** that the current legal basis to set Proper Practices comes from a 2006 circular, which predates the current regime. It was **agreed** that legal advice on JPAG's authority to mandate practices should be gained. This will inform future decisions on changes to the Proper Practices and what is covered by the Limited Assurance Review. AC agreed that SAAA would seek legal opinion. **Action: AK to assist AC in setting out the legal question; AC to obtain legal opinion.**
	Items for Information ▪ MHCLG to launch a consultation on local audit reform.

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	▪ No significant changes to the AGAR for 2024-25. ▪ SAAA are working with aubergine to develop accessible AGAR forms. **Upcoming meetings** ▪ 16 January 2025, 10am (Teams) Practitioners' Guide 2025 ▪ 13 February 2025, 9am (Teams) Proper Practices

Published by the National Association of Local Councils on behalf of the Joint Panel on Accountability and Governance (JPAG).

Claire Reed
Secretariat to JPAG