

Smaller Authorities Transparency Fund – General Briefing

Note one

This briefing provides an update on the establishment of a fund to help small bodies with a turnover less than £25,000, including parish councils, comply with new audit arrangements (if they have not done so already).

Background

The Smaller Authorities Transparency Code came into force on 01 April 2015 and requires the on-line publication of certain information which the Government requests, to provide taxpayers with a clear picture of the authority's activities, spending and governance, and will improve the ability of communities to hold local public bodies to account. Legal Topic Note L02-15 provides more detail on the new requirements to NALC members.

NALC had lobbied for the Code to be introduced from 2016 in order for necessary support to be put in place to help smaller parish councils to comply, and for adequate financial provision to be made to enable councils to meet the new burden.

At the end of March 2015 we announced that the Department for Communities and Local Government had agreed £4.7m of funding for a new Transparency Fund, administered by NALC over a three-year period, delivered on a county basis by County Associations of Local Councils and targeting local needs. We are currently working with DCLG officials to put the programme in place.

Code Timetable

As set out above, we lobbied against the timetable for implementation of the Code, making the case to Ministers and officials that without the necessary support being in place and made available, most small Parish Councils would not be able to meet the new requirements.

Officials from the Department of Communities and Local Government attended the March meeting of our National Council to provide an update on both the Code and Fund. They acknowledged the problem with the timetable and confirmed that the Department views compliance with the Code as an incremental process, being aware of the variation in capacity to meet compliance. This is an issue we will be raising with new ministers as a matter of some urgency.

Compliance with the Code – DCLG guidance.

“The Transparency Code for Smaller Authorities is mandatory. Guidance and support is available through NALC and their County Associations with funding of £4.7m over three years from DCLG.

While all Smaller Authorities should comply with the Transparency Code, DCLG recognises that access to funding will be needed by some Smaller Authorities to fully meet the Transparency requirements.

Once funding is available, all authorities should be working towards compliance with the Transparency Code.

The efficacy of funding through NALC and the County Associations will need to be monitored and reported to DCLG.

Neither NALC nor the County Associations will have the responsibility of monitoring compliance with the Transparency Code (only the efficiency and effect of the funding).

Those Smaller Authorities not compliant with the Transparency Code have the responsibility of accessing the funding and advice necessary to become compliant which will be available through the County Associations, who will publicise this to all relevant authorities.”

Indicative project dates

As the programme develops the dates below will be confirmed directly with CALCs.

First CALC Mobilisation Grants	July
Grant forms made available to CALCS	17 July 2015
Return baseline questionnaire to NALC	14 August 2015
First Grant forms accepted by NALC	September 2015
First Grants delivered to CALCs	October 2015

Governance

Governance and project oversight arrangements for the Fund are being put in place in consultation with the DCLG.

The Project Board for the Fund, which will meet monthly in the first instance, will comprise representatives from:

- The Department for Communities and Local Government;
- The National Association of Local Councils;
- The Society of Local Clerks;
- The Association of Drainage Authorities;
- A County Association

NALC’s Smaller Councils Committee will oversee our work on the fund internally and will receive a quarterly report on progress.

An operational Project Team has been established comprising officers from NALC and SLCC and DCLG officials.

An interim Programme Manager – Peter Wrigley has been appointed to initiate the programme.

Events

A number of County Associations have already held, or are planning to hold briefing/training events to bring councils together to explain the requirements of the new Code and to assess support needs.

We have agreed with DCLG officials that we will fund relevant activity retrospectively, including events held by county associations from 01 April 2015.

In addition the project team is in process of planning some small events around the country where we will be able to give advice and support in person to CALC representatives. Dates for these events will be published soon and are anticipated to be late July or early August

County bids

County associations will be funded for local administration of the Fund and their work with supporting smaller councils. An initial payment of £2000 will be made to CALCs in July – please ensure all expenditure is documented.

We anticipate that funding for councils will cover setting up and hosting websites, hardware (laptops, PCs, scanners etc.) as well as council staff time for both the implementation and day to day running of the scheme.

We will be issuing grant application forms for this shortly.

Advice to Councils

We recommend that in preparing for compliance councils take the following steps:

- Understand the guide to Transparency
- Engage with County Associations
- Identify the gap the council has to achieving compliance
- Access funding through your local CALC
- Consider reporting on Transparency to the council