

# TRANSPARENCY CODE

As stewards of public funds, parish and town councils are expected to uphold the highest standards of transparency and openness. These principles are integral to all council activities.

We have consistently championed this cause, emphasising parish and town councils' need to offer accountable, transparent, and open democratic leadership. We advocate for comprehensive transparency in all administrative and financial documentation provided by parish and town councils. The government has echoed this. They have made transparency and openness a key priority for local government and highlighted their ambition to increase democratic accountability to empower communities and make it easier for them to contribute to the local decision-making process.

To support this objective, the government has introduced two transparency codes: one for larger councils with an annual turnover exceeding £200,000 and another for smaller councils with an annual turnover not exceeding £25,000.

The government selected us to manage a £4.7 million fund to support the implementation of the transparency legislation. This funding was available to help smaller councils with an annual turnover not exceeding £25,000 comply with the transparency code. The fund concluded in February 2018. The fund aimed to alleviate the additional burden of complying with the transparency code for smaller authorities. Its goals were to enhance democratic participation and ensure greater transparency by making financial information accessible to electors. Around 5,000 parish and town councils applied for and received funding to assist them in becoming compliant.

Although the transparency codes specifically mandate compliance from councils within these turnover brackets, we strongly encourage all parish and town councils with annual turnovers under £200,000 to adhere to the transparency code for smaller authorities at a minimum.

## **Larger councils with an annual turnover exceeding £200,000**

In 2015, the government introduced the Local Government Transparency Code, primarily targeting principal authorities and larger councils with an annual precept or turnover of at least £200,000.

We strongly recommend that all parish and town councils with an annual turnover exceeding £200,000 adhere to the code for best practice, noting that all sections except Appendix 3 are mandatory.

The government advises parish and town councils with an annual turnover above £200,000 to publish the following information online: Expenditures exceeding £500, government procurement card transactions, procurement information, local authority land, social housing assets, grants, organisation chart, trade union facility time, parking account, senior salaries, constitution, pay multiple, and fraud.

### **Smaller councils with an annual turnover not exceeding £25,000**

The transparency code for smaller authorities came into effect on 1 April 2015. This code mandates that smaller councils with an annual turnover not exceeding £25,000 must publish specific financial and administrative information online, making it accessible to the public. The goal is to provide taxpayers with a clear understanding of the authority's activities, spending, and governance, thereby enhancing the community's ability to hold local public bodies accountable. Compliance is required for all parish and town councils with a turnover not exceeding £25,000.

Starting in April 2015, parish and town councils with an annual turnover not exceeding £25,000 must publish the following information online: All items of expenditure above £100, end-of-year accounts, annual governance statement, internal audit report, list of councillor or member responsibilities, details of public land and building assets, and minutes, agendas, and meeting papers of formal meetings.

Kind regards