Parish and Town Council – Jargon Buster

Accountability and Governance

The Practitioners’ Guide (‘the guide’) is issued by the Joint Panel on Accountability and Governance (JPAG) to support the preparation by smaller authorities in England of statutory annual accounting and governance statements found in the Annual Governance and Accountability Return. It is updated each year.

Accounting statements

Means the annual income and expenditure account, statement of balances or record of receipts and payments that a local council is required to prepare in accordance with, and in the form specified in, any annual return required by “proper practices” in relation to accounts.

AGAR

The Annual Governance and Accounting Statement (also known as the annual return) presents the council’s accounting statements and governance arrangements in the year and the internal and external auditor’s opinion on them.

Annual meeting of the council

The Annual Meeting of the Council is a full council meeting held in May. The election of the Chair must be the first item on the agenda.

Annual parish assembly

The Annual Parish Assembly or Town Assembly Meeting is a meeting of the electorate and must take place between 1st March and 1st June.

Budget

The budget is the plan for income and expenditure, revenue and capital over the next year and is an essential tool for controlling the council’s finances.

By-election

A by-election is an election held between ordinary elections.

Certificate of Exemption

Parish councils, where their gross income and expenditure does not exceed £25,000, may submit a Certificate of Exemption from external audit.

Chair's/Mayor's allowance

An allowance can be allocated to help pay for activities undertaken in the role of Chair/Mayor, such as, attendance at civic events and gifts for visitors.

Code of Conduct

Parish councils must adopt and publicise a Code of Conduct about the conduct of its members, in line with the Nolan principles.

Community Governance Review

Community governance reviews provide the opportunity for principle councils to review and make changes to community governance within their areas.  These can be helpful, for example, where there have been changes in population, or in reaction to specific or local new issues.

Contested election

A contested election is where there are more candidates than seats, therefore a poll is required.

Co-option

Councils can co-opt a member to the council where a casual vacancy has arisen (and no by-election demanded) or where insufficient candidates are proposed for seats at an election.

Corporate Body

A parish council is a corporate body, a legal entity separate from that of its councillors.. Decisions taken are the responsibility of the council as a whole, not individual councillors.

Councillor

Is a person elected or co-opted onto a council.

Data Protection

A parish council must comply with the obligations to protect information held and to process it in accordance with the UK General Data Protection Regulations (GDPR) and the Data Protection Act 2018.

Declaration of acceptance of office

A person elected or co-opted to a council must make a written declaration of acceptance of office at or before the first meeting following their appointment, or at a later meeting as agreed by the council.

Disclosure of interests

Councillors have a duty to register and disclose any interests which may conflict with their role as councillor, in accordance with the Localism Act 2011, and the Code of Conduct.

Delegated powers

Under S.101 LGA 1972 a council can arrange for its functions to be discharged by a committee, sub-committee or an officer. This means councils can formally delegate decisions to  the clerk.

Dispensation

Councillors can be granted a dispensation to enable them to participate/vote on matters in which they have disclosed an interest. They can only be granted in certain circumstances as set out in the Code of Conduct.

Duties

Duties are legal obligations – actions that a council must take by law.

External audit

The process by which an auditor reviews the council’s annual return and other documents as required. The auditor is appointed by the Smaller Authorities' Audit Appointments (SAAA).

Financial Regulations

These set out how a local council regulates and controls its financial affairs and accounting procedures. NALC has produced model financial regulations that most councils adopt.

Freedom of Information (FOI)

As a public authority, parish and town councils have to comply with the Freedom of Information Act 2000, which includes having a publication scheme and responding in accordance with the legislation to requests for information held.

General Data Protection Regulations (GDPR)

The UK GDPR sets out how information held and processed is dealt with. See also Data Protection Act 2018.

General Power of Competence (GPOC)

This general power enables eligible councils to do anything that an individual might do, as long as other legislation does not forbid it. The power needs to be renewed at the annual meeting of the council following an ordinary election.

Internal audit

Someone independent of the council, who scrutinises the council’s systems and finances and reports back to the council.

Minutes

Minutes are a legal record of the decisions made at a meeting.

Monitoring Officer

Is a member of staff in a district or the county council who is responsible for advising the authority on the legality of its decisions. They also have specific responsibilities regarding the registration and disclosure of councillor interests and investigating Code of Conduct complaints.

NALC

National Association of Local Councils.

Nolan Principles

The Seven Principles of Public Life (also known as the Nolan Principles) apply to anyone who is a public office-holder, including local councillors. The principles are integral to the Code of Conduct.

Ordinary elections

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| Ordinary elections for town and parish councils occur during the month of May every four years.In Staffordshire, these will be in 2023, 2027 and so on.  |

Powers

Legislation permits local councils to exercise a range of discretionary statutory powers. Additionally, councils have the ability to enhance the area or benefit groups of inhabitants using what is often known as the 'free resource' under s.137, LGA 1972.

Precept

The precept is the council tax requirement from local electors to meet the council’s budget. Each parish and town council has the power to levy a precept each financial year.

Proper Officer

The term Proper Officer is used in legislation and is usually the clerk in most parish and town councils. The Proper Officer carries out the decisions of the council, implements policies and deals with the day-to-day running of the council.

Public participation

In normal circumstances, the public are allowed to attend meetings but can only speak when invited to do so. It is good practice to provide an opportunity for the public to express their views or ask questions in a specified slot during a meeting.

Principal authority

In Staffordshire, the principal authorities are the district and county councils.

Proper practices

A term referred to in the publication ‘Accountability and Governance for Local Councils - A Practitioners’ Guide (England)’ issued by the Joint Practitioners Advisory Group (JPAG).

Publication Scheme

The Freedom of Information Act 2000 requires every public authority to have a publication scheme approved by the Information Commissioners' Office (ICO), and to publish information covered by the scheme. The scheme must set out a commitment to make certain classes of information routinely available, such as policies, minutes and financial information.

Quorum

Is the minimum number of councillors required to be present at a meeting.  The quorum is one- thirds of councillors, or three, whichever is greater.  If the meeting is not quorate it cannot take place.

Register of interest

Councillors have a duty to register and disclose any interests which may conflict with their role as councillor, in accordance with the Localism Act 2011, and the Code of Conduct. The register is kept by the districts monitoring officers.

Reserves

Councils should ensure that they have adequate reserves to cover the cost of any unexpected expenditure.  These may be earmarked for specific projects and the council may have a general reserve.  Examples include updating play areas, works to building, elections costs etc

Resolution

Is the legal term for a decision lawfully made by the majority of those present and voting at a meeting.

Responsible Financial Officer (RFO)

All Town and Parish councils are legally required to have a Responsible Finance Officer to administer their financial affairs.  The RFO role can be carried out by the clerk or a separate person. A parish councillor can also fulfil this role, but cannot be paid.

SAAA

The Smaller Authorities' Audit Appointments is a sector-led limited company appointed by the then Department of Communities and Local Government as the 'specified person' to procure and appoint external auditors to smaller authorities.

Section 137

S.137 LGA 1972 enables councils to spend a limited amount of money for purposes for which they have no other specific statutory power. It cannot be used by councils eligible to exercise the General Power of Competence, except to donate to certain charities and appeals (s.137(3)).

S.137 can be used when the council considers the expenditure will bring direct benefit to their area or a group of its inhabitants. The expenditure is capped for the financial year based on a formula.

Society of Local Council Clerks (SLCC)

The body that represents clerks to local councils in England and Wales.

Standing Orders

Is a term to describe the written rules of a local council. They are used to confirm a council’s internal organisational and administrative procedures, procurement and procedural matters for meetings. They are not the same as the policies of a council but they may refer to them.

Statute

A statute is a law made by the UK Parliament.

Tender

A formal process where businesses are invited to bid for contracts. Councils considering putting a contract out to tender must comply with their financial regulations and relevant legislation.

Transparency Codes

There are two codes relevant to local councils which help ensure that the public can see and access information on how councils spend, manage assets and make decisions. It sets out what information a council should publish, for example agendas, minutes and financial reports.

The Transparency Code for Smaller Authorities applies to councils whose annual turnover does not exceed £25,000.

The Local Authority Transparency Code applies to councils whose turnover exceeds £200,000. Councils in between are expected to follow the mandatory parts of this code.

Uncontested election

If the number of candidates is the same as there are seats on a council, the candidates automatically become councillors without an election.