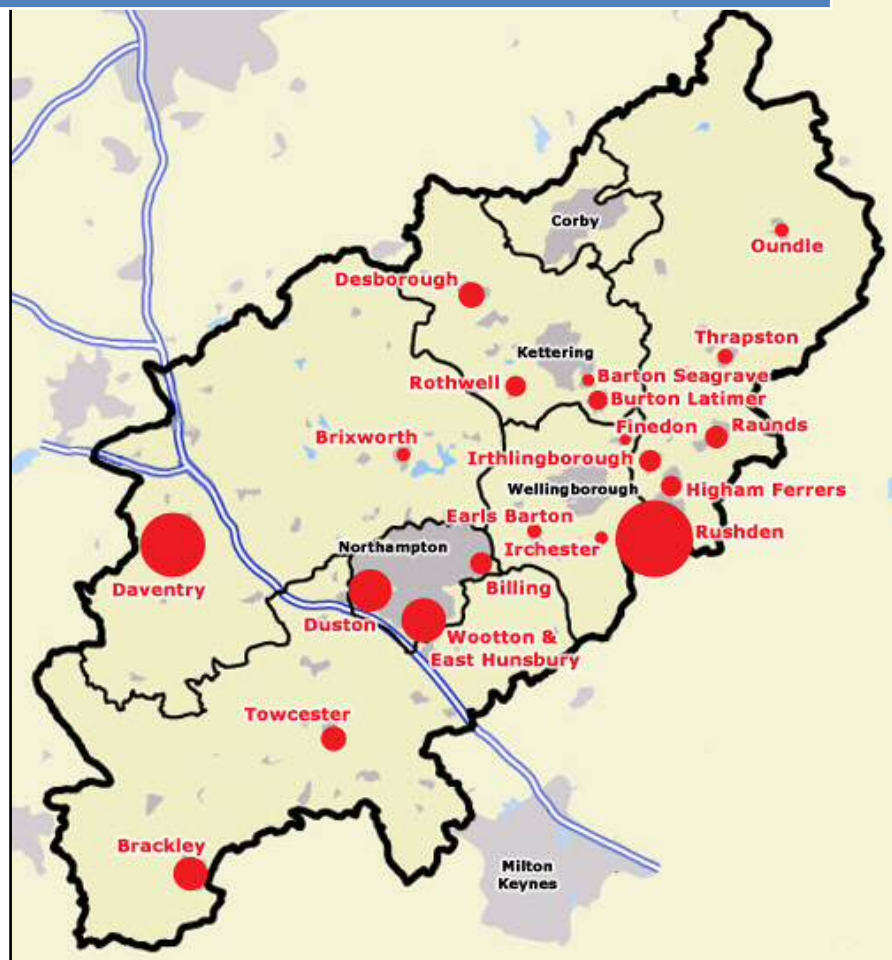


Year ending
31 March 2018

Annual Report of the Northamptonshire County Association of Local Councils



Empowering Parish
& Town Councils

Chairman's Report

Since last year's 70th Annual Report, the activity level for Northants CALC, which is always very busy, has increased, predominantly owing to the prospect of local government reorganisation and to the introduction of GDPR.

Both these topics have exercised our member parish and town councils, which resulted in an uplift in workload for our officers and kept the directors fully occupied in ensuring that we supported our staff and that our service remained of a consistently high quality.

The Board had anticipated that extra support was needed to deliver its services and appointed, after a rigorous recruitment process, our Deputy Chief Executive Officer, Dr Lesley Sambrook-Smith in June 2017.

Lesley was previously a very experienced clerk from Syresham Parish Council and has proved to be an essential asset to our small team of officers, who has been well received by councillors and clerks as she has traversed the county and advised on queries.

The Board has ten business meetings each year, set from January to December, two of which contain a Topic Focus Session.

At our April 2017 meeting our topic was '*The Impact of Unitary Councils on Parish and Town Councils*'. We welcomed Cllr Kevin Wilson from Woughton Community Council, Milton Keynes to relate his experience as he was Leader of Milton Keynes Council when it became a Unitary Authority in 1997. Over the following two years he worked on fully parishing the local area. His insight and advice was useful and the Board continued to have a standing item on the agenda, in what proved to be a well debated discussion throughout the coming year!

In July 2017 we held our third Chairman's Annual Board Focus Day at The Sawpits Centre, Towcester, a newly renovated community building owned and operated by Towcester Town Council.

Prior to our discussion, I was formally appointed as Chairman of the Board following the death of the previous holder, Peter Byng.

There were two topics. The first being '*The Changing Landscape for Parish and Town Councils*', the second, '*Board Decision Making*'. All contributed to a meaningful and valuable discussion which furthered our deliberations for the coming year.

The Northamptonshire Larger Councils Partnership meeting, held in Raunds in July 2017, was well attended and appreciated, as the situation with NCC was becoming more challenging. Heather Smith, the Leader of NCC was in attendance and answered questions from the floor.

In September 2017, owing to the vacancy following the death of Peter Byng, Northants CALC welcomed its new Director, Gill Wells, an experienced Clerk to West Haddon Parish Council. Gill has established herself into her new role as one of the Association's eight directors

In October 2017 at the AGM, our President, Dr Paul Blantern furnished his resignation. The Board agreed to defer the appointment of a new President for 2017-2018 until a permanent Chief Executive Officer was appointed at Northamptonshire County Council.

In January 2018 Northamptonshire County Council gave notice to Northants CALC that its grant of £10,000 was to cease as of 31st March 2018. This was not unexpected owing to the severe and unfolding situation of their finances; however, it was agreed that the Board would continue with funded activity for the following year April 2018 - March 2019.

The beginning of 2018 heralded many meetings for our CEO to engage with principal council Leaders, Chief Executive Officers and NCC to highlight the importance, role and relevance of our parish and town councils as the first tier of local government in Northamptonshire.



The Board recognised that parish and town councils were struggling to get to grips with the compliance of the forthcoming General Data Protection Regulation, (GDPR) and needed significant support. It was agreed that to alleviate their valid concerns, the Association would provide a Data Protection Officer (DPO) service to all its member parishes. This service would not be chargeable in the first year, April 2018 - March 2019 and would be reviewed during the year.

The Northants CALC Board and its staff are working in a rapidly developing local government landscape for our county and one of the key objectives of our Strategic Plan is the New Councils Project. The creation of new parish and town councils in Northamptonshire may well be accelerated in the coming years; meanwhile the Board and its staff are well placed to support and guide those communities to becoming a part of our sector. A sector that is closest to its people. A sector that is strong and supportive of each other by being members of Northants CALC. A sector that would have even more relevance to its people should Northamptonshire change its administrative governance.

Lynne Taylor
Chairman, Northants CALC
ltaylor@northantscalc.com

Balance Sheet Summary

Northants CALC Balance Sheet as at 31 March 2018:

	£	£
	2017	2018
Fixed assets	2,828	2,025
Debtors	1,549	3,679
Cash at bank	119,931	125,179
Total Assets	124,308	130,883

	£	£
	2017	2018
Creditors	(33,619)	(35,945)
Receipts in advance	-	-
Current Liabilities	(33,619)	(35,945)

	£	£
	2017	2018
Assets less liabilities	90,687	94,938

Finance Report

A summary of the accounts for the year ending 31 March 2018 is appended to the Annual Report. The accounts are independently inspected by Kate Brown Accountants, Chartered Accountants, and submitted to Companies House under the requirements of the Companies Act 2006.

The Association maintains a system of internal controls to ensure the effectiveness and efficiency of its activities and operating procedures. A director is appointed with responsibility to scrutinise the internal controls and working practices, which has proved to be a very useful governance tool that helps improve risk identification and mitigation. The Internal Controls Director (ICD) carries out a minimum of three on-site checks per year and may check any system or procedure at will.

The Association ended the financial year with a surplus of £4,251.

The Association's turnover is somewhat artificially inflated currently because of the Transparency Fund, which operated from 2015/16 to 2017/18. Northants

CALC was the accountable body in Northamptonshire for the Fund, so the National Association of Local Councils (NALC) sends the money that it has awarded to individual councils to Northants CALC for onward distribution. In the year to 31 March 2018 the amount transferred to parish councils was £69,001.

A series of surplus years has resulted in general reserves of £95k against a minimum reserves policy of £30k. However, with the employment of a Deputy CEO and the withdrawal of the grant from Northamptonshire County Council (NCC) the Association is working to a budgeted deficit for y/e 31 March 2019 of £25K. Clearly deficit budgets are only manageable in the short term, so the Association will take steps to slow down the depletion of reserves, including seeking external funding where possible. From 2020/21 the Association will seek to work with the principal councils in the county on new partnership agreements.

The Association's financial position is sound and stable, and it is well placed to cope with the short- and medium-term financial outlook.

Corporate Governance

The board operates according to the following principles:

The board should be independent of the staff:

The board has determined that each director is independent in character and judgement and that there are no relationships or circumstances which are likely to affect their judgement or impair their independence.

Directors should be submitted for re-appointment annually:

Recommendations for re-appointment should not be assumed but be based on disclosed procedures and continued satisfactory performance.

There should be full disclosure of the board's membership:

A list of directors with biographies is available on the Association's web site.

The board should aim to have a balance of skills, experience, and knowledge:

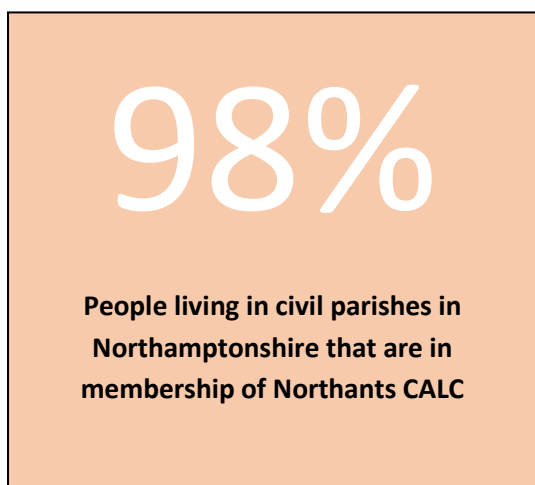
The board operates a Composition & Diversity Policy that ensures that the board contains a good mix of clerks and councillors from small and large councils.

The board should undertake an annual review of its own performance:

All directors complete self-assessment forms that help identify strengths and weaknesses of the board.

The board should give attention to overall strategy:

The board monitors performance against its agreed strategy on an ongoing basis and reviews its overall strategy, including the viability of the Association in its current form.



Chief Executive's Report

This report period, 1 April 2017 to 31 March 2018, was dominated by two big issues: Local Government Reorganisation (LGR) in Northamptonshire and the implementation of the General Data Protection Regulations (GDPR).

The unitary debate has been rumbling on in Northamptonshire for more than a decade, but it was high on the agenda in the spring of 2017 and Northants CALC began then the serious consideration of the likely impacts on member councils. We started having it as a standing item on the board's agenda and in July 2017 we held a special meeting of the Northamptonshire Larger Councils Partnership (NLCP), with the then Leader of Northamptonshire County Council (NCC), Cllr Heather Smith.

Then it all went quiet. The September 2017 minutes record "*There has been no news on unitary proposals since the last board meeting.*" My, how that was about to change! On 15 September 2017 the LGA published its Financial Peer Review into the governance and accountability of NCC and we haven't looked back since! Within a month of that report, the CEO had gone, and the government was considering taking the unprecedented step of sending in Commissioners.

The nail in NCC's coffin was the so-called Caller Report, published on 15 March 2018, which triggered Cllr Smith to resign as Leader and Cllr Matt Golby to be installed in her place. The Caller Report demanded the dissolution of the county council and all the borough and district councils in favour of the creation of two new unitary authorities.

The accepted wisdom from other areas of the country is that parish and town councils fare reasonably well in a unitary environment. However, LGR presents a mix of opportunity and threat and so Northants CALC is working hard on how member councils can make the most of the opportunities whilst avoiding the

biggest threats. It is very time consuming and causes a workload that we aren't really used to, but it is a time to pull out all the stops and to apply all our resources to make sure we seize the moment.

As an antidote to the high-octane stuff of Local Government Reorganisation we had the much more mundane issue of GDPR to grapple with. We could see that GDPR was going to be a big issue for member councils and that they would need our support to be in compliance by 25 May 2018. We began the planning process in the autumn of 2017 and set our stall out to provide the best and most comprehensive member service possible. Looking back, I think we did achieve that. Information Governance is a dry old subject at the best of times, and we were well aware that most member councils would treat compliance as a necessary evil, so even more reason to make it as pain-free as possible. We did all the hard work so that member councils didn't have to!

I have to say that the majority of the excellent GDPR work was down to our newly-appointed Deputy Chief Executive Officer, Lesley Sambrook Smith. Lesley joined our team in June 2017 and has been invaluable. As an ex-Clerk she brings an operational perspective that is very useful. Lesley is technically very skilled but has a good ability to speak to Clerks and Councillors in plain English.

The other piece of staff news at the start of 2018 was the announced retirement in May of our Administration Manager, Linda Bain, who had been with us just over five years. We were sorry to hear she was leaving, and she made an excellent contribution in her time with us.

The sad news last year was the death of our Chairman, Peter Byng, in June. It is never easy for an organisation to lose its sitting Chairman, but I think the staff and the board handled it extremely well, striking just the right balance between observing the appropriate reverence and reflection and the need to continue with business as usual.

The board appointed the then Vice Chairman, Lynne Taylor, as the Chairman for the remainder of the board year, and appointed Mike Scott as Vice Chairman. Lynne and Mike were then re-appointed to their respective positions at the board's annual meeting in November 2017.

Gill Wells joined the board in September 2017 filling the casual vacancy left by Peter. Gill is Clerk to two parish councils, so she adds enormously to the board's deliberations as she knows "how things really are"!

A highlight of last year was the AGM in October 2017. It was held in the brand spanking-new Moulton Community Centre, which was wonderful. In a changed format, the AGM opened with a BBC Question Time-style panel comprising the MP for Daventry, Chris Heaton-Harris, the then Chief Constable for Northamptonshire, Simon Edens, the Chairman of the National Association of Local Councils (NALC), Sue Baxter, and the then Deputy Leader of Northamptonshire County Council (NCC), Matt Golby. Questions were submitted the week before by delegates and in true BBCQT fashion the panellists did not know what the questions were in advance! It was a great day and the only downside is that we have quite a reputation to live up to!

At the AGM we presented the Council of the Year Award to Weedon Bec Parish Council for the courage, fortitude, and leadership shown by the Clerk and the Councillors in dealing with a project to clear and level an area of a playing field known locally as "The Mound" that turned out to comprise of a mixture of asbestos fibres and unexploded bombs! The award was some small way of recognising the work the council put in.

In January 2018 we received the news from NCC that our Grant Funding Agreement would not be renewed post 31 March 2018. For the past three years NCC had awarded £10,000 to the Association, which was a small but useful contribution. The loss of funding,

coupled with the addition of the Deputy Chief Executive Officer, means that we are facing deficit budgets for the next few years. Fortunately, we have the reserves to make that possible, but we are very acutely aware that deficit budgets cannot be sustained long term and rest assured we are doing everything possible to eke out our funds.

In March 2018 Northants CALC took part in Lobby Day, organised by the National Association of Local Councils (NALC). Mike Scott and I spent the day in Portcullis House attending presentations and meeting with the Northamptonshire MPs. It was a fascinating insight into the machinery of national government and how it influences local government. We raised various issues with the MPs and set out some "asks" for the parish council sector in Northamptonshire. Some have already borne fruit and I think we will definitely repeat the exercise in 2019.

3.02

The Association's current Full Time Equivalent (FTE) staffing level.

I would like to close with my personal thanks to the staff – Anne, Lesley and Linda – for all their hard work over the year to 31 March 2018 and to the board of directors and Vice Presidents for their personal support and encouragement during what has been an incredibly busy and exciting year.

But finally, thank you to all the Clerks and Councillors in Northamptonshire that we have the pleasure of supporting week in, week out. The community effort is enormous – worth millions of pounds if costed – and it helps make Northamptonshire a better place to live work and play!

Danny Moody
Chief Executive
dmoody@northantscalc.com

Association Staff

Position	Name
Chief Executive	Danny Moody
Deputy Chief Executive*	Lesley Sambrook Smith
Training & Development Manager	Anne Kirkland
Administration Manager	Linda Bain

*From June 2017

Honorary Officers & Auditor

The following were elected at the AGM on 7 October 2017 to serve for one year:

Name	Title
Vacancy	President
Jeffery Greenwell	Vice President
Catherine Lomax	Vice President
Gwen Radcliffe	Vice President
Gordon Shorley	Vice President
Kate Brown Accountants	Auditors

Board of Directors

The following were elected at the AGM on 7 October 2017 to serve for one year:

Name	Current Role
Peter Allen	Director
Fiona Baker	Director
Sara Homer	Director
Lynn Lavender	Director
Richard Lewis	Director
Mike Scott	Vice Chairman
Lynne Taylor	Chairman
Gill Wells*	Director

*First Appointed September 2017.

Membership Fee

In Northamptonshire there are 201 parish councils, 12 town councils and 51 parish meetings (civil parishes without a parish council). The largest council is Rushden Town Council (electorate 23,291) and the smallest council is Brampton Ash Parish Council (electorate 60). The smallest parish meeting is Althorp Parish Meeting (electorate 13).

The highest precepting council is Rushden Town Council (£925,523) and the lowest (of the ones that precept at all) is Catesby Parish Meeting (£90). Together, councils in Northamptonshire raised £10.09 million in precept in 2017/18.

98% of the councils in the county are in membership of the Association. The membership fees are set by the AGM each October.

	£	£
Year Ending 31 st March	2018	2019
Base rate (per council)	150.90	154.82
County Association (per elector)	0.2264	0.2323
NALC affiliation (per elector)	0.0673	0.0686

Nb: The Northants CALC fee for councils with more than 10,000 electors is capped at £2,477.17.

Internal Audit Service

181 of the 213 parish and town councils in Northamptonshire used the Internal Audit Service from Northants CALC for the year ending 31 March 2018.

A team of specialist auditors are contracted by the Association to provide the service to parish and town councils, ranging from the smallest with annual expenditure of less than £1,000 to the largest with annual expenditure in excess of £1,000,000.

Internal Audit is a key component of the system of internal control. The purpose of internal audit is to review whether the systems of financial and other controls over a council's activities and operating procedures are effective.

It is essential that the internal audit function is sufficiently independent of the other financial controls and procedures of the council which are the subject of review.

The person or persons carrying out internal audit must also be competent to

carry out the role in a way that will meet the business needs of each local council.

Member Enquiry Service (MES)

The Member Enquiry Service (MES) is an email-based enquiry service for member councils that provides a timely response to non-complex, generic enquiries.

MES is operated on a volunteer basis by a team of four knowledgeable and dedicated clerks all of whom are CiLCA trained. My continued thanks go to Nikki Daft, Erica Fothergill, Helen Hoier and Rosie Smart for their support and hard work over the year.

Local Council Award Scheme (LCAS)

We are looking to review LCAS to make it even more relevant to member councils and we are assisting the National Association of Local Councils (NALC) in this regard.

All councils are encouraged to consider going for accreditation. There's a level for everyone: Foundation recognises sound standard practice, Quality recognises good practice and Quality Gold recognises best practice in all aspects. Councils can accredit at one level and then work towards a higher level if they choose.

Councillor Panel

The Northants CALC Councillor Panel was established more than five years ago to provide the Association with a quick way to understand the attitude, thoughts and feelings of the councillorship in the county. Around 140 Councillors are registered on the panel, which operates on an e-mail basis. We send out questions and surveys (normally using SurveyMonkey) and give the Councillor Panel a few days to respond. The results are used as a guide and they help inform our work. It's not a formal consultation mechanism and the responses are those of individual councillors, not councils, but it does give us a very quick and cost-

effective way of engaging with Councillors.

In the report year we consulted the Councillor Panel on many issues, including GDPR and what issues to raise at the NALC Lobby Day.

Over the next year the Councillor Panel is going to be absolutely crucial as the unitary debate unfolds.

There is no real commitment involved... panellists are able to respond to the surveys or they are not. Typical response rates are in the order of 50 – 70%.

If you would like to contribute your thoughts this way then please either sign up by sending an e-mail to info@northantscalc.com or, if you would like to know more first, contact Northants CALC by telephone on 01327 831482 or e-mail info@northantscalc.com and request a copy of the Terms of Reference.

Printed or electronic copies of this Annual Report and further details are available on request. Please e-mail info@northantscalc.com.

**Northamptonshire County Association of Local Councils Ltd
Company limited by guarantee**

Accounts for year ending 31 March 2018

Company information

Directors	Lynne Jane Taylor Lynn Lavender Richard Lewis Peter Robert Allen Michael John Scott Sara Marie Homer Fiona Elizabeth Baker Gillian Helen Wells
Secretary	Daniel Moody
Company number	07335699
Registered office	6 Litchborough Business Park Northampton Road Litchborough Northamptonshire NN12 8JB

NORTHANTS CALC

Profit & Loss for 1 April 2017 to 31 March 2018

Note	Income	01/04/17-31/03/18	01/04/16-31/03/17
		£	£
	Membership Subscriptions	114,555	111,332
	Training	26,255	26,044
	IAS Council Income	34,454	29,794
	Grants	10,000	21,206
1	Transparency Fund Grant	69,784	50,409
2	Other Income	518	2,534
		255,565	241,319
	Expenditure		
	NALC Affiliation Fee	20,565	19,373
	Internal Auditor Fees	21,985	19,245
	Training Costs	6,890	8,769
1	Transparency Fund	70,321	50,409
	Conference and Meeting Costs	2,116	2,177
	Board Expenses	0	33
	Insurance inc Professional Indemnity	795	723
		122,672	100,729
	Gross Profit/(Loss):	132,893	140,590
	Overheads		
	Staff Costs	100,085	80,389
	Rent	8,400	7,271
	Water Rates	121	136
	Service charges	373	494
	Premises Insurance	293	265
	Light and Heat	2,074	2,538
	Repairs and Maintenance	542	528
	Printing Posting and Stationery	2,782	3,137
	Telephone	2,193	3,073
	Travel - Staff	2,589	2,168
	Travel - Directors	694	787
	Accountancy	120	120
	Bank Charges	243	134
3	Subscription, Membership and Professional Fees	2,051	4,848
	General Expenses	2,617	2,464
	Increased Internal Audit Creditor	2,799	2,939
	Office Equipment & Fixtures & Fittings Depreciation	1,051	1,247
		129,028	112,538
4	Bank Deposit Interest	387	808
	Net Profit/(Loss):	4,252	28,860

NORTHANTS CALC

Balance Sheet as of 31 March 2018

Note	Fixed Assets	01/04/17- 31/03/18	01/04/16 - 31/03/17
		£	£
	Office Equipment	3,076	4,075
	Depreciation	1,051	1,247
		2,025	2,828
	Current Assets		
5	Current Account	87,961	56,953
5	Savings Account	37,314	62,960
6	Petty Cash and Credit card	-96	16
7	Debtors	3,679	1,549
		128,858	121,478
	Current Liabilities		
8	Creditors	3,154	3,627
9	IAS - Council Fees	32,593	29,794
	Members' Liability Funds	198	198
		35,945	33,619
	Current Assets less Current Liabilities	92,913	87,859
	Total Assets less Current Liabilities	94,938	90,687
	Capital & Reserves		
	General Fund (Includes County Training Partnership)	90,687	61,828
	Profit & Loss Account	4,251	28,860
		94,938	90,688

At a meeting of the board of directors held on 19 April 2018 it was agreed to send these accounts for independent inspection.

Signed by



Date: 19 April 2018

NORTHANTS CALC

Balance Sheet and Profit and Loss - Explanatory Notes Year Ending 31 March 2018

- Note 1 Monies received from the National Association of Local Councils (NALC) under the Transparency Fund (Income) and then paid out to parish councils (Expenditure)
- Note 2 Income from booklets and literature bought from NALC and sold to member councils was considerably reduced this financial year.
- Note 3 No pension set up costs and a refund of Local Authority Information Service (LAIS) fees from the Suffolk Association
- Note 4 Bank interest rate reduced from 1.4% in 2016-17 to 0.65% in 2017-18
- Note 5 £25k to be moved in 2018-19 into a long term investment account
- Note 6 Balance of £6.66 in Petty Cash and £102.91 owing for Credit Card
- Note 7 Consists of 2 Internal Audit Service (IAS) payments (service requested late in year) (£334) and income from training courses held in February and March (£3,000)
- Note 8 Includes March payment to HMRC (£2,269), staff pension (£365.18), printing for March (£51.79) and electricity (£468.35)
- Note 9 Increase in fees and sales of Internal Audit Service

Northamptonshire County Association of Local Councils Limited

Chartered Accountants' report to the board of directors on the preparation of the unaudited statutory accounts of Northamptonshire County Association of Local Councils Limited for the year ended 31 March 2018.

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Northamptonshire County Association of Local Councils Limited for the year ended 31 March 2018 which comprise of the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales, we are subject to its ethical and other professional requirements which are detailed at icaew.com/membershandbook.

Our work has been undertaken in accordance with AAF 2/10 as detailed at icaew.com/compilation.

Kate Brown Accountants
Chartered Accountants
The Annexe, Rectory Farm
Cranford Road
Great Addington
Northamptonshire
NN14 4BQ

19 April 2018