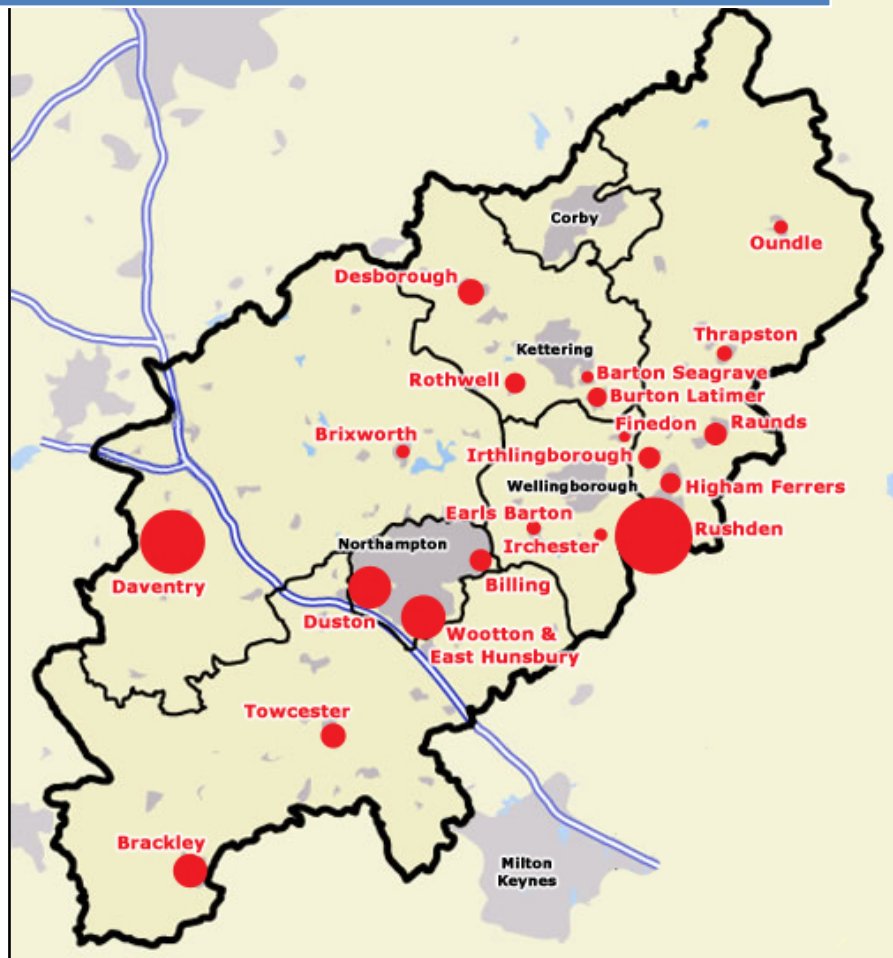


Year ending
31 March 2020

Annual Report of the Northamptonshire County Association of Local Councils



Empowering Parish
& Town Councils

Chairman's Report

This report covers the period from 1 April 2019 to 31 March 2020, which seems like a lifetime ago. In April 2019 Theresa May was the Prime Minister, Article 50 had been extended because parliament couldn't make a decision on the EU withdrawal agreement, and Corona was a Mexican pale lager. How times have changed.

At the time of writing the country is in full lockdown because of the Coronavirus pandemic and we are all suffering the restrictions that brings. We can only hope for better times in the future.

I'm pleased to say that we have acted very quickly. The Association staff are working from home, and the board has quickly adopted "virtual" meetings, although we miss the cake and camaraderie.

There has been a couple of changes on the board. We lost two excellent directors, Sara Homer and Fiona Baker, who both found that their growing activities elsewhere didn't allow them time to do the role justice. However, we recruited Chris Horsman in May 2019 and Julia Tufnail in July 2019, both of whom have already made a great contribution to our work. You can read the pen-portraits of all the directors on our web site.

The work of the Association has been dominated by Local Government Reorganisation (LGR) and the board has received regular updates from the Chief Executive. We made it clear that whilst LGR was important we must put members first and make sure their needs are taken care of. We mustn't focus on tomorrow and take our eye off the ball today.

The board was disappointed that the local elections scheduled for May 2020 have been postponed another year due to the pandemic, and we are mindful of all the councillors in the county who will now be serving a six-year term of office. I hope that your reward is in heaven!

The postponement of the elections for a further year may have disrupted the life plans of some clerks too. It is such a difficult time for everyone.

One of the happy consequences of LGR is the creation of new parish and town councils in Northampton, Wellingborough, Kettering and Corby. It is an exciting time for our sector and we are really looking forward to welcoming the new councils into our family and supporting them as they get established.

In October we had our best AGM ever. We had a record attendance at Moulton Community Centre and there was a packed and fascinating programme. We launched our Building Communities document, that sets out the board's vision for the relationship between parish and town councils and the new unitary councils. If you haven't read it yet, please do so (see web site)! Thank you to all the staff that made it such a memorable day, but mainly thank you to you, the delegates, for coming along and showing your support for the Association.

The board's focus at the January meeting was climate change, and in March it was health and wellbeing. Both issues are so very important so we must ensure that our work and that of parish and town councils keeps the "bigger picture" in mind. We are all connected, and we are all affected by each other's actions and decisions, so we must work together to protect our communities and make sure they are brilliant places to live now, and in the future.

Our staff team are working incredibly hard with everything that is going on and this is my opportunity to pay tribute to them and to thank them for all they do. With an excellent staff, and a dedicated and engaged board of directors, I am confident that we are doing our very best for our member parish and town councils and parish meetings across the county and that whatever challenges we have, we will meet them together.

Lynne Taylor, Chairman

Balance Sheet Summary

Northants CALC Balance Sheet as at 31 March 2020:

	£	£
	2019	2020
Fixed assets	1,150	1,492
Debtors	7,580	2,483
Cash at bank	125,576	112,421
Total Assets	134,306	116,396

	£	£
	2019	2020
Creditors	(35,501)	(43,046)
Receipts in advance	-	-
Current Liabilities	(35,501)	(43,046)

	£	£
	2019	2020
Assets less liabilities	98,805	73,350

Finance Report

A summary of the accounts for the year ending 31 March 2020 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 deficit of £25,455, which was in line with the forecast where the original budget had predicted a deficit for y/e 31 March 2020

of £23,610. The Association has planned deficit budgets for the next few years, which is made possible by the healthy reserves. Clearly though it is not a long-term strategy and the Association is working hard to increase income (by attracting the newly created councils into membership) and reduce costs where possible. The Association keeps very tight control on all expenditure.

Overall, 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 the 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

There is never a dull day in the world of parish and town councils, although I fear that things are starting to get a little too exciting! Our bread-and-butter and focus is and always will be helping member councils with their urgent and pressing enquiries, and the number of phone calls and emails continues to rise steadily. But we are fighting hard for parish and town councils on Local Government Reorganisation (LGR), and now we have the Coronavirus pandemic to deal with too.

Since late March 2020 all staff have been working from home and all meetings, events and training courses have been moved online. I am very thankful to Lesley and Marie for their hard work and forbearance in what is and will continue to be a very challenging operating environment.

2019/20 has been a year of uncertainty, with the will they, won't they of Brexit and the delays that Brexit has caused to LGR in Northamptonshire. It seems incredible that the announcement that Northamptonshire would have two unitary councils was made on 14 May 2019. So much has happened since then! The Structural Changes Order (SCO), which is the legal instrument for LGR was delayed and then delayed again by the Brexit shenanigans in parliament. When a general election was announced for 12 December 2019

we wondered if it could put a kibosh on LGR altogether. In the end a Conservative government was returned and the LGR programme rolled on, with the SCO finally being made on 13 February 2020.

In June 2019 we held two very successful Local Council Forums, one for the north, one for the west, at which we discussed the relationship that member councils wanted to have with the unitary councils. Using the evidence gathered from those meetings we put together a document called *Building Communities*, which was formally launched at our AGM on 5 October 2019. It sets out a vision for the relationship and makes proposals for how the vision could be implemented. If you haven't already read it, you will find a copy on our web site. The document has been fed into the LGR process and has been well received. It will take years to implement, but it is good that we are already on the right track.

In staff news, we were very sad in April 2019 to say goodbye to Anne Kirkland, who had been Training Manager on a part time basis for ten years. We wished Anne well with her new post at Moulton Parish Council. Our loss is their gain. The Administration Manager, Melody Pugsley initially stepped up to cover the Training Manager role, but when Melody left in June 2019 it gave us an opportunity to think anew. We decided to do away with the post of Administration Manager and create a full time, beefed-up, Training Manager role. We were extremely fortunate to be able to recruit Marie Reilly and we welcomed her to the team in October 2019. Marie joined us from Milton Keynes Council where she had been in a learning and development role and she has a Level 5 Diploma in Learning & Development. Marie is also vice chairman at Roade Parish Council, so she combines the theory of learning and development with the practice of being a councillor. We are confident that it will help the Association move to another level in terms of supporting clerks and

councillors in their professional development.

In October we were excited to launch a partnership with Wellers Hedleys Solicitors. WH provide Northants CALC with a desktop legal enquiry service and support us with training events and articles for our newsletter. In return, it helps spread the WH name in Northamptonshire so they are well-placed when parish and town councils need one-to-one legal support and representation. The partnership is working very well and we are really delighted to be working with Frances and Roger at WH, who are both legal experts in the parish council world, which makes them very rare beasts indeed!

In January 2020 the board signed off the Strategic Plan 2020 – 2023. It sets out our work programme and business plan for the period. We didn't know at the time that the Coronavirus pandemic was just around the corner, and it will undoubtedly have an impact on us, but we are absolutely determined to keep going with business as usual as far as we can and we will redouble our efforts to support member councils as they plot their way through the crisis.

I would like to thank the board of directors and the vice presidents for their personal support and confidence in the staff. The board meets monthly, but the very important work it does is mostly unseen by member councils. The contribution and generosity of the directors and vice presidents is extremely valuable.

And finally, thank you to all our member councils. We often receive kind comments from Clerks and Councillors when we have provided a good service and it encourages us and motivates us to do even more.

Danny Moody, Chief Executive

Association Staff

Position	Name
Chief Executive	Danny Moody
Deputy Chief Executive	Lesley Sambrook Smith
Training Manager*	Anne Kirkland
Training Manager**	Marie Reilly
Admin Manager***	Melody Pugsley

*To April 2019 **From October 2019 *** To June 2019

Honorary Officers & Auditor

The following were elected at the AGM on 5 October 2019 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 5 October 2019 to serve for one year:

Name	Current Role
Peter Allen	Director
Chris Horsman	Director
Lynn Lavender	Director
Richard Lewis	Director
Mike Scott	Vice Chairman
Lynne Taylor	Chairman
Julia Tufnail	Director
Gill Wells	Director

Membership Fee

In Northamptonshire there are 203 parish councils, 15 town councils and 51 parish meetings (civil parishes without a parish council). The largest council is Northampton Town Council (electorate c80,000) and the smallest council is Brampton Ash Parish Council (electorate 58). The smallest parish meeting is Althorp Parish Meeting (electorate 11). The highest precepting council in

2019/20 is Rushden Town Council (£1,016,224) and the lowest (of the ones that precept at all) is Catesby Parish Meeting (£90). Together, councils in Northamptonshire raised £12.7 million in precept in 2019/20.

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	2020	2021
Base rate (per council)	158.38	161.55
County Association (per elector)	0.2376	0.2424
NALC affiliation (per elector)	0.0699	0.0720

Nb: The Northants CALC fee for councils with 10,000 to 30,000 electors is capped at £2,584.83 and for councils with more than 30,000 electors the cap is £4,695.57.

Internal Audit Service

185 of the 218 parish and town councils in Northamptonshire used the Internal Audit Service from Northants CALC for the year ending 31 March 2020.

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.

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.

Internal audit function must be independent of the other financial controls and procedures of the council.

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.

In the year to 31 March 2020, MES responded to 213 enquiries from member councils on an extremely diverse range of subjects.

Member councils may not know that MES is operated on a volunteer basis by a team of four expert and dedicated clerks all of whom are CiLCA trained. Huge thanks go to Nikki Daft, Erica Fothergill, Helen Hoier and Rosie Smart for their support and hard work during the year.

Data Protection Officer (DPO) Service

The DPO Service provides councils with a



dedicated email address and named officers to act as DPO. The role of the DPO is to inform and advise the Council and its employees about their obligations to comply with the General Data Protection Regulations (GDPR) and other data protection laws, to monitor compliance and advise on data protection impact assessments, train staff and conduct internal audits.

The DPO is the first point of contact for supervisory authorities and for individuals whose data is processed (including employees, councillors and members of the public).

196 of the county's 218 parish and town councils subscribed to the DPO Service in 2019/20.

Local Council Award Scheme (LCAS)

The National Association of Local Councils (NALC) has refreshed the Local Council Award Scheme (LCAS).

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 in 2012 to provide the Association with a quick way to understand the attitude, thoughts and feelings of the councillorship in the county. Around 112 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.

This year we consulted the Councillor Panel on issues such as community resilience, councillor wellbeing and Local Government Reorganisation (LGR).

The Councillor Panel is extremely useful to the Association and all councillors are encouraged to sign up for it, even if just on a trial basis. All you have to do to sign up to the panel is send an email to info@northantscalc.com with your expression of interest and you will be added to the distribution list. Typical response rates are in the order of 50 – 70%, so not every member of the panel responds to every survey. If you would like to know more before signing up, please contact Northants CALC by telephone on 01327 831482 or e-mail info@northantscalc.com and request a copy of the Councillor Panel Terms of Reference.

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

Registered number
07335699

Northamptonshire County Association of Local Councils Limited

Report and Unaudited Accounts

31 March 2020

Northamptonshire County Association of Local Councils Limited

Registered number: 07335699

Directors' Report

The directors present their report and accounts for the year ended 31 March 2020.

Principal activities

The company's principal activity during the year is to provide support and services to its members, parish and town councils in Northamptonshire. The company is a non profit making organisation and is limited by guarantee.

Directors

The following persons served as directors during the year:

Richard Lewis
Gillian Helen Wells
Peter Robert Allen
Lynne Jane Taylor
Lynn Lavender
Geoffrey Paul
Christopher Horsman
Michael John Scott
Sara Marie Homer (resigned 25 April 2019)

Small company provisions

This report has been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

This report was approved by the board on 3 October 2020 and signed on its behalf.

Lynne Jane Taylor
Director

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 2020

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 2020 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

3 October 2020

Northamptonshire County Association of Local Councils Limited
Profit and Loss Account
for the year ended 31 March 2020

	2020	2019
	£	£
Turnover	193,320	199,685
Cost of sales	(63,863)	(57,102)
Gross profit	<u>129,457</u>	<u>142,583</u>
Administrative expenses	(155,497)	(138,906)
Operating (loss)/profit	<u>(26,040)</u>	<u>3,677</u>
Interest receivable	585	190
(Loss)/profit on ordinary activities before taxation	<u>(25,455)</u>	<u>3,867</u>
Tax on (loss)/profit on ordinary activities	-	-
(Loss)/profit for the financial year	<u>(25,455)</u>	<u>3,867</u>

Northamptonshire County Association of Local Councils Limited

Registered number: 07335699

Balance Sheet

as at 31 March 2020

	Notes	2020 £	2019 £
Fixed assets			
Tangible assets	3	1,492	1,150
Current assets			
Debtors	4	2,483	7,580
Cash at bank and in hand		112,421	125,576
		<u>114,904</u>	<u>133,156</u>
Creditors: amounts falling due within one year	5	(43,046)	(35,501)
Net current assets		<u>71,858</u>	<u>97,655</u>
Net assets		<u>73,350</u>	<u>98,805</u>
Capital and reserves			
Profit and loss account		73,350	98,805
Shareholders' funds		<u>73,350</u>	<u>98,805</u>

The directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The accounts have been prepared and delivered in accordance with the special provisions applicable to companies subject to the small companies regime. The profit and loss account has not been delivered to the Registrar of Companies.

Lynne Jane Taylor

Director

Approved by the board on 3 October 2020

Northamptonshire County Association of Local Councils Limited
Statement of Changes in Equity
for the year ended 31 March 2020

	Share capital	Profit and loss account	Total
	£	£	£
At 1 April 2018	-	94,938	94,938
Profit for the financial year		3,867	3,867
At 31 March 2019	<u>-</u>	<u>98,805</u>	<u>98,805</u>
At 1 April 2019	-	98,805	98,805
Loss for the financial year		(25,455)	(25,455)
At 31 March 2020	<u>-</u>	<u>73,350</u>	<u>73,350</u>

Northamptonshire County Association of Local Councils Limited
Notes to the Accounts
for the year ended 31 March 2020

1 Accounting policies

Basis of preparation

The accounts have been prepared under the historical cost convention and in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (as applied to small entities by section 1A of the standard).

Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services. Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer. Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs.

Tangible fixed assets

Tangible fixed assets are measured at cost less accumulative depreciation and any accumulative impairment losses. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Freehold buildings	over 50 years
Leasehold land and buildings	over the lease term
Plant and machinery	over 5 years
Fixtures, fittings, tools and equipment	over 5 years

Debtors

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts. Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently measured at amortised cost determined using the effective interest method, less any impairment losses for bad and doubtful debts.

Creditors

Short term creditors are measured at transaction price (which is usually the invoice price). Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

Provisions

Provisions (ie liabilities of uncertain timing or amount) are recognised when there is an obligation at the reporting date as a result of a past event, it is probable that economic benefit will be transferred to settle the obligation and the amount of the obligation can be estimated reliably.

Northamptonshire County Association of Local Councils Limited
Notes to the Accounts
for the year ended 31 March 2020

Leased assets

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. All other leases are classified as operating leases. The rights of use and obligations under finance leases are initially recognised as assets and liabilities at amounts equal to the fair value of the leased assets or, if lower, the present value of the minimum lease payments. Minimum lease payments are apportioned between the finance charge and the reduction in the outstanding liability using the effective interest rate method. The finance charge is allocated to each period during the lease so as to produce a constant periodic rate of interest on the remaining balance of the liability. Leased assets are depreciated in accordance with the company's policy for tangible fixed assets. If there is no reasonable certainty that ownership will be obtained at the end of the lease term, the asset is depreciated over the lower of the lease term and its useful life. Operating lease payments are recognised as an expense on a straight line basis over the lease term.

Pensions

Contributions to defined contribution plans are expensed in the period to which they relate.

2 Employees	2020 Number	2019 Number
Average number of persons employed by the company	3	4
3 Tangible fixed assets		Plant and machinery etc £
Cost		
At 1 April 2019		17,680
Additions		1,686
At 31 March 2020		19,366
Depreciation		
At 1 April 2019		16,530
Charge for the year		1,344
At 31 March 2020		17,874
Net book value		
At 31 March 2020		1,492
At 31 March 2019		1,150
4 Debtors	2020 £	2019 £
Trade debtors	2,483	7,580

Northamptonshire County Association of Local Councils Limited
Notes to the Accounts
for the year ended 31 March 2020

5 Creditors: amounts falling due within one year	2020	2019
	£	£
Trade creditors	37,559	34,453
Other creditors	5,487	1,048
	<u>43,046</u>	<u>35,501</u>

6 Other information

Northamptonshire County Association of Local Councils Limited is a private company limited by guarantee and incorporated in England. Its registered office is:
6 Litchborough Business Park
Northampton Road
Litchborough
Northamptonshire
NN12 8JB

Northamptonshire County Association of Local Councils Limited
Detailed profit and loss account
for the year ended 31 March 2020

	2020	2019
	£	£
Sales	193,320	199,685
Cost of sales	(63,863)	(57,102)
Gross profit	<u>129,457</u>	<u>142,583</u>
Administrative expenses	(155,497)	(138,906)
Operating (loss)/profit	<u>(26,040)</u>	<u>3,677</u>
Interest receivable	585	190
(Loss)/profit before tax	<u>(25,455)</u>	<u>3,867</u>

Northamptonshire County Association of Local Councils Limited
Detailed profit and loss account
for the year ended 31 March 2020

	2020	2019
	£	£
Sales		
Sales	<u>193,320</u>	<u>199,685</u>
Cost of sales		
Purchases	54,989	57,102
Other direct costs	<u>8,874</u>	<u>-</u>
	<u>63,863</u>	<u>57,102</u>
Administrative expenses		
Employee costs:		
Wages and salaries	117,376	110,492
Travel and subsistence	<u>1,085</u>	<u>3,663</u>
	<u>118,461</u>	<u>114,155</u>
Premises costs:		
Rent	8,706	8,731
Rates	-	164
Service charges	482	497
Light and heat	<u>2,637</u>	<u>2,781</u>
	<u>11,825</u>	<u>12,173</u>
General administrative expenses:		
Telephone and fax	1,892	2,071
Stationery and printing	1,264	1,786
Bank charges	239	324
Repairs and maintenance	840	776
Depreciation	1,344	1,059
Loss on investments	2,471	-
Bad debts	6,362	-
Sundry expenses	<u>5,110</u>	<u>3,544</u>
	<u>19,522</u>	<u>9,560</u>
Legal and professional costs:		
Accountancy fees	2,104	1,003
Other legal and professional	<u>3,585</u>	<u>2,015</u>
	<u>5,689</u>	<u>3,018</u>
	<u>155,497</u>	<u>138,906</u>