

Local Government Transparency Code 2014

SUMMARY

- 1.1 This report provides members with an outline of the requirements of the Local Government Transparency Code 2014 (the Code). The Code sets out the minimum data that local authorities should be publishing, the frequency it should be published and how it should be published.

RECOMMENDATION

- 2.1 To note the report.
- 2.2 To request an update on how the Council is meeting the requirements of the Code at the March 2015 Committee meeting.

REASONS FOR RECOMMENDATION

- 3.1 The Audit and Accounts Committee is a key component of the Council's corporate governance. It provides a high-level focus on the audit, assurance and reporting arrangements that underpin good governance and financial standards.

SUPPORTING INFORMATION

- 4.1 The Government believes that in principle all data held and managed by local authorities should be made available to local people unless there are specific sensitivities to doing so (e.g. protecting vulnerable people or commercial and operational considerations).
- 4.2 Transparency about how local authorities spend money and deliver services, and how decisions are made within authorities, gives local people the information they need to hold their local authority to account and participate in local democratic processes. The availability of data can also help secure more efficient and effective local services and open new markets for local business, the voluntary and community sectors, and social enterprises to run services or manage public assets.

- 4.3 In December 2013 the Government set out its policy on transparency in local government and published a draft transparency Code. In May 2014, the Department for Communities and Local Government issued the Local Government Transparency Code 2014 (the Code). An update was issued in October 2014. The Code is a tool to embed transparency in local authorities and sets out the minimum data that local authorities should be publishing, the frequency it should be published and how it should be published.
- 4.4 The Code sets out what data is required to be published, how frequently it should be published and the method of publication. How it is presented is a matter for individual local authorities, although local authorities should ensure that data is accessible and can be easily understood by local people.
- 4.5 Part 2 of the Code set out details of the minimum data that local authorities must publish (see Appendix 2). The Government believes that in principle all data held and managed by local authorities should be made available to local people unless there are specific sensitivities to doing so. Therefore, it encourages local authorities to go much further in publishing the data they hold, recognising the benefits of sharing that data for local people, more effective service delivery and better policy making. Part 3 of the Code sets out details of data that the Government recommends local authorities publish (see Appendix 3). At the current time, the Council is concentrating on making sure that it meets the requirements of Part 2 of the Code.
- 4.6 Quarterly data must first be published no later than 31 December 2014 and thereafter not less than quarterly, with the data being published no later than one month after the quarter to which it relates. After the Code is issued, local authorities will be expected to publish two sets of quarterly data in 2014-15.
- 4.7 The first set of annual data must be published no later than 2 February 2015 and thereafter not less than annually, with the data being published no later than one month after the year to which it relates.
- 4.8 The DCLG has offered the following guidance regarding enforcement of the Code. If a local authority does not fulfil its obligations under the Code, then:
- anyone can make a complaint to the Monitoring Officer of the local authority and remind them of their duty;
 - the public can use the local authority's complaints procedures;
 - it may be possible to make a complaint to the Local Government Ombudsman where other local authority complaints procedures have been exhausted;
 - the authority could become subject to judicial review;
 - the public can make a Freedom of Information Act request. Where the local authority does not respond positively to the Freedom of Information request, members of the public can complain to the Information Commissioner's Office under the existing Freedom of Information framework. As well as any issues related to a request, the Information Commissioner's Office will consider whether the matter under the Code aligns with Freedom of Information obligations.

OTHER OPTIONS CONSIDERED

5.1 N/A

This report has been approved by the following officers:

Legal officer	n/a
Financial officer	n/a
Human Resources officer	n/a
Estates/Property officer	n/a
Service Director(s)	n/a
Other(s)	Chief Officer Group

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Background papers:	None
List of appendices:	Appendix 1 – Implications Appendix 2 - Information which must be published Appendix 3 – information recommended for publication.

IMPLICATIONS

Financial and Value for Money

- 1.1 None directly arising.

Legal

- 2.1 The Code has been issued under Section 2 of the Local Government, Planning and Land Act 1980.
- 2.2 In ensuring compliance with the transparency code, care should be taken to ensure that the data protection act is not breached by releasing personal data unless it is anonymised in line with the Information Commissioner's Office Code of Practice on anonymisation.

Personnel

- 3.1 None directly arising

IT

- 4.1 None directly arising

Equalities Impact

- 5.1 None directly arising

Health and Safety

- 6.1 None directly arising

Environmental Sustainability

- 7.1 None directly arising

Property and Asset Management

- 8.1 None directly arising

Risk Management

- 9.1 Instances of non-compliance with the Code could adversely affect the Council's reputation.

Corporate objectives and priorities for change

- 10.1 None directly arising.

Information which must be published

Expenditure exceeding £500

23. Local authorities must publish details of each individual item of expenditure that exceeds £500. This includes items of expenditure, consistent with Local Government Association guidance, such as:

- individual invoices
- grant payments
- expense payments
- payments for goods and services
- grants
- grant in aid
- rent
- credit notes over £500, and
- transactions with other public bodies.

24. For each individual item of expenditure the following information must be published:

- date the expenditure was incurred
- local authority department which incurred the expenditure
- beneficiary
- summary of the purpose of the expenditure
- amount
- Value Added Tax that cannot be recovered, and
- merchant category (eg. computers, software etc).

Government Procurement Card transactions

25. Local authorities must publish details of every transaction on a Government Procurement Card. For each transaction, the following details must be published:

- date of the transaction
- local authority department which incurred the expenditure
- beneficiary
- amount

- Value Added Tax that cannot be recovered
- summary of the purpose of the expenditure, and
- merchant category (eg. computers, software etc).

Procurement information

26. Local authorities must publish details of every invitation to tender for contracts to provide goods and/or services with a value that exceeds £5,000. For each invitation, the following details must be published:

- reference number
- title
- description of the goods and/or services sought
- start, end and review dates, and
- local authority department responsible.

27. Local authorities must also publish details of any contract¹⁵, commissioned activity, purchase order, framework agreement and any other legally enforceable agreement with a value that exceeds £5,000. For each contract, the following details must be published:

- reference number
- title of agreement
- local authority department responsible
- description of the goods and/or services being provided
- supplier name and details
- sum to be paid over the length of the contract or the estimated annual spending or budget for the contract
- Value Added Tax that cannot be recovered
- start, end and review dates
- whether or not the contract was the result of an invitation to quote or a published invitation to tender, and
- whether or not the supplier is a small or medium sized enterprise and/or a voluntary or community sector organisation and where it is, provide the relevant registration number

Information to be published annually

Local authority land

30. Local authorities must publish details of all land and building assets including:

- all service and office properties occupied or controlled by user bodies, both freehold and leasehold
- any properties occupied or run under Private Finance Initiative contracts
- all other properties they own or use, for example, hostels, laboratories, investment properties and depots
- garages unless rented as part of a housing tenancy agreement
- surplus, sublet or vacant properties
- undeveloped land
- serviced or temporary offices where contractual or actual occupation exceeds three months, and
- all future commitments, for example under an agreement for lease, from when the contractual commitment is made.

However, information about the following land and building assets are to be excluded from publication:

- social housing
- rent free properties provided by traders (such as information booths in public places or ports)
- operational railways and canals
- operational public highways (but any adjoining land not subject to public rights should be included)
- assets of national security, and
- information deemed inappropriate for public access as a result of data protection and/or disclosure controls (eg. such as refuge houses).

31 For each land or building asset, the following information must be published together in one place:

- Unique Property Reference Number
- Unique asset identity - the local reference identifier used by the local body, sometimes known as local name or building block. There should be one entry per asset or user/owner (eg. on one site there could be several buildings or in one building there could be several users floors/rooms etc – where this is the case, each of these will have a separate asset identity). This must include the original reference number from the data source plus authority code
- name of the building/land or both
- street number or numbers - any sets of 2 or more numbers should be separated with the '-' symbol (eg. 10-15 London Road)
- street name – this is the postal road address²¹
- post town

- United Kingdom postcode
- map reference – local authorities may use either Ordnance Survey or ISO 6709 systems to identify the location of an asset, but must make clear which is being used. Where an Ordnance Survey mapping system is used (the grid system) then assets will be identified using Eastings before Northings. Where geocoding in accordance with ISO 6709 is being used to identify the centre point of the asset location then that reference must indicate its ISO coordinates
- whether the local authority owns the freehold or a lease for the asset and for whichever category applies, the local authority must list all the characteristics that apply from the options given below:

for freehold assets:

- occupied by the local authority
- ground leasehold
- leasehold
- licence
- vacant (for vacant properties, local authorities should not publish the full address details and should only publish the first part of the postcode).

for leasehold assets:

- occupied by the local authority
- ground leasehold
- sub leasehold
- licence.

for other assets:

- free text description e.g. rights of way, access etc.
- whether or not the asset is land only (i.e. without permanent buildings) or it is land with a permanent building.

Grants to voluntary, community and social enterprise organisations

32. Local authorities must publish details of all grants to voluntary, community and social enterprise organisations. This can be achieved by either:
- tagging and hence specifically identifying transactions which relate to voluntary, community and social enterprise organisations within published data on expenditure over £500 or published procurement information, or
 - by publishing a separate list or register.

33 For each identified grant, the following information must be published as a minimum:

- date the grant was awarded
- time period for which the grant has been given
- local authority department which awarded the grant
- beneficiary
- beneficiary's registration number
- summary of the purpose of the grant, and
- amount.

Organisation chart

34. Local authorities must publish an organisation chart covering staff in the top three levels of the organisation. The following information must be included for each member of staff included in the chart:

- grade
- job title
- local authority department and team
- whether permanent or temporary staff
- contact details
- salary in £5,000 brackets, consistent with the details published under paragraph 38, and
- salary ceiling (the maximum salary for the grade).

Trade union facility time

35. Local authorities must publish the following information on trade union facility time:

- total number (absolute number and full time equivalent) of staff who are union representatives (including general, learning and health and safety representatives)
- total number (absolute number and full time equivalent) of union representatives who devote at least 50 per cent of their time to union duties
- names of all trade unions represented in the local authority
- a basic estimate of spending on unions (calculated as the number of full time equivalent days spent on union duties multiplied by the average salary), and
- a basic estimate of spending on unions as a percentage of the total pay bill (calculated as the number of full time equivalent days spent on union duties multiplied by the average salary divided by the total pay bill).

Parking account

36. Local authorities must publish on their website, or place a link on their website to this data if published elsewhere:
- a breakdown of income and expenditure on the authority's parking account. The breakdown of income must include details of revenue collected from on-street parking, off-street parking and Penalty Charge Notices, and
 - a breakdown of how the authority has spent a surplus on its parking account.

Parking spaces

37. Local authorities must publish the number of marked out controlled on and off-street parking spaces within their area, or an estimate of the number of spaces where controlled parking space is not marked out in individual parking bays or spaces.

Senior salaries

38. Local authorities are already required to publish, under the Accounts and Audit (England) Regulations 2011 (Statutory Instrument 2011/817)29:
- the number of employees whose remuneration in that year was at least £50,000 in brackets of £5,000
 - details of remuneration and job title of certain senior employees whose salary is at least £50,000, and
 - employees whose salaries are £150,000 or more must also be identified by name.
39. In addition to this requirement, local authorities must place a link on their website to these published data or place the data itself on their website, together with a list of responsibilities (for example, the services and functions they are responsible for, budget held and number of staff) and details of bonuses and 'benefits-in-kind', for all employees whose salary exceeds £50,000. The key differences between the requirements under this Code and the Regulations referred to above is the addition of a list of responsibilities, the inclusion of bonus details for all senior employees whose salary exceeds £50,000 and publication of the data on the authority's website.

Constitution

40. Local authorities are already required to make their Constitution available for inspection at their offices under section 9P of the Local Government Act 2000. Local authorities must also, under this Code, publish their Constitution on their website.

Pay multiple

41. Section 38 of the Localism Act 2011 requires local authorities to produce Pay Policy Statements, which should include the authority's policy on pay dispersion – the relationship between remuneration of chief officers and the remuneration of other staff. Guidance produced under section 40 of that Act, recommends that the pay multiple is included in these statements as a way of illustrating the authority's approach to pay dispersion.
42. Local authorities must, under this Code, publish the pay multiple on their website, defined as the ratio between the highest paid taxable earnings for the given year (including base salary, variable pay, bonuses, allowances and the cash value of any benefits-in-kind) and the median earnings figure of the whole of the authority's workforce. The measure must:
- cover all elements of remuneration that can be valued (eg. all taxable earnings for the given year, including base salary, variable pay, bonuses, allowances and the cash value of any benefits-in-kind)
 - use the median earnings figure as the denominator, which should be that of all employees of the local authority on a fixed date each year, coinciding with reporting at the end of the financial year, and
 - exclude changes in pension benefits, which due to their variety and complexity cannot be accurately included in a pay multiple disclosure.

Fraud

43. Local authorities must publish the following information about their counter fraud work:
- number of occasions they use powers under the Prevention of Social Housing Fraud (Power to Require Information) (England) Regulations 2014, or similar powers³³
 - total number (absolute and full time equivalent) of employees undertaking investigations and prosecutions of fraud
 - total number (absolute and full time equivalent) of professionally accredited counter fraud specialists
 - total amount spent by the authority on the investigation and prosecution of fraud, and
 - total number of fraud cases investigated.

Information to be published once only

Waste contracts

44. Local authorities must publish details of their existing waste collection contracts, in line with the details contained in paragraph 27. Local authorities must publish this information at the same time as they first publish quarterly procurement information under paragraphs 22, 26 and 27 of this Code.

Information recommended for publication (Part 3)

Expenditure Data

48. It is recommended that local authorities go further than the minimum publication requirements set out in Part 2 and:
- publish information on a monthly instead of quarterly basis, or ideally, as soon as it becomes available and therefore known to the authority (commonly known as 'real-time' publication)
 - publish details of all transactions that exceed £250 instead of £500. For each transaction the details that should be published remain as in paragraph 24
 - publish all transactions on all corporate credit cards, charge cards and procurements, including those that are not a Government Procurement Card. For each transaction the details that should be published remain as set out in paragraph 25
 - publish the total amount spent on remuneration over the period being reported on, and
 - classify purpose of expenditure using the Chartered Institute of Public Finance and Accountancy Service Reporting Code of Practice to enable comparability between local authorities.

Procurement information

49. It is recommended that local authorities place on Contracts Finder³⁴, as well as any other local portal, every invitation to tender or invitation to quote for contracts to provide goods and/or services with a value that exceeds £10,000. For each invitation, the details that should be published are the same as those set out in paragraph 26.
50. It is recommended that local authorities should go further than the minimum publication requirements set out in Part 2 and publish:
- information on a monthly instead of quarterly basis, or ideally, as soon as it is generated and therefore becomes available (commonly known as 'real-time' publication)
 - every invitation to tender for contracts to provide goods and/or services with a value that exceeds £500 instead of £5,000. The details that should be published are the same as those set out in paragraph 26
 - details of invitations to quote where there has not been a formal invitation to tender. The details that should be published are the same as those set out in paragraph 26

- all contracts in their entirety where the value of the contract exceeds £5,000
- company registration number at Companies House
- details of invitations to tender or invitations to quote that are likely to be issued in the next twelve months. The details that should be published are the same as those set out in paragraph 26
- details of the geographical (e.g. by ward) coverage of contracts entered into by the local authority
- details of performance against contractual key performance indicators, and
- information disaggregated by voluntary and community sector category (e.g. whether it is registered with Companies House, Charity or Charitable Incorporated Organisation, Community Interest Company, Industrial and Provident Society, Housing Association, etc).

Local authority land

51. It is recommended that local authorities should go further than the minimum publication requirements set out in Part 2 and publish information on a monthly instead of annual basis, or ideally, as soon as it becomes available and therefore known to the authority (commonly known as ‘real-time’ publication). It is also recommended that local authorities should publish all the information possible on Electronic Property Information Mapping Service.
52. It is further recommended that local authorities also go further than the minimum publication requirements set out in paragraph 31 by publishing, alongside them in one place, the following information:
 - size of the asset measured in Gross Internal Area (m²) for buildings or hectares for land, in accordance with the Royal Institute of Chartered Surveyors Code of Measuring Practice. The Gross Internal Area is the area of a building measured to the internal face of the perimeter walls at each floor level. Local authorities using Net Internal Area (m²) should convert measurements to Gross Internal Area using appropriate conversion factors and state the conversion factor used
 - services offered from the asset using the services listed in the Effective Services Delivery government service function list <http://doc.esd.org.uk/FunctionList/1.00.html> (listing up to five main services)
 - reason for holding asset such as, it is occupied by the local authority or it is providing a service on the authority's behalf, it is an investment property, it supports economic development (eg. provision of small businesses or incubator space), it is surplus to the authority's requirements, it is awaiting development, it is under construction, it provides infrastructure or it is a community asset
 - whether or not the asset is either one which is an asset in the authority's ownership that is listed under Part 5 Chapter 3 of the Localism Act 2011 (assets of community value) and/or an asset which the authority is actively seeking to transfer to the community

- total building operation (revenue) costs as defined in the corporate value for money indicators for public services
- required maintenance - the cost to bring the property from its present state up to the state reasonably required by the authority to deliver the service and/or to meet statutory or contract obligations and maintain it at that standard. This should exclude improvement projects but include works necessary to comply with new legislation (eg. asbestos and legionella)
- functional suitability rating using the scale:
 - good – performing well and operating efficiently (supports the needs of staff and the delivery of services)
 - satisfactory – performing well but with minor problems (generally supports the needs of staff and the delivery of services)
 - poor – showing major problems and/or not operating optimally (impedes the performance of staff and/or the delivery of services)
 - unsuitable – does not support or actually impedes the delivery of services
- energy performance rating as stated on the Display Energy Certificate under the Energy Performance of Buildings (Certificates and Inspections) (England and Wales) Regulations 2007.

Parking spaces

53. It is recommended that local authorities should publish the number of:
- free parking spaces available in the local authority's area and which are provided directly by the local authority, and
 - parking spaces where charges apply that are available in the local authority's area and which are provided directly by the local authority.
54. Where parking space is not marked out in individual parking bays or spaces, local authorities should estimate the number of spaces available for the two categories in paragraph 53.

Organisation chart

55. It is recommended that local authorities should go further than the minimum publication requirements set out in Part 2 and publish:
- charts including all employees of the local authority whose salary exceeds £50,000
 - the salary band for each employee included in the chart(s), and
 - information about current vacant posts, or signpost vacancies that are going to be advertised in the future.

Grants to voluntary, community and social enterprise organisations

56. It is recommended that local authorities should go further than the minimum publication requirements set out in Part 2 and publish information on a monthly instead of annual basis where payments are made more frequently than a single annual payment, or ideally, as soon as the data becomes available and therefore known to the authority (commonly known as 'real-time' publication).
57. It is further recommended that local authorities publish information disaggregated by voluntary and community sector category (eg. whether it is registered with Companies House, charity or charitable incorporated organisation, community interest company, industrial and provident society, housing association, etc).

Fraud

58. It is recommended that local authorities should go further than the minimum publication requirements set out in Part 2 and publish:
- total number of cases of irregularity investigated
 - total number of occasions on which a) fraud and b) irregularity was identified
 - total monetary value of a) the fraud and b) the irregularity that was detected, and
 - total monetary value of a) the fraud and b) the irregularity that was recovered.