

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO COUNCIL

9 MARCH 2022

REPORT OF THE CHIEF OFFICER – FINANCE, PERFORMANCE AND CHANGE

RELATED PARTY TRANSACTIONS 2021-22 & STATEMENT OF ACCOUNTS

1. Purpose of report

- 1.1 The purpose of this report is to inform Council of the requirement for Members to formally declare any related party transactions for the financial year 2021-22 by completing the declaration attached at **Appendix A**, even if it is a nil return, and that this must be completed no earlier than 31 March 2022 and returned by Friday 8 April 2022.

2. Connection to corporate well-being objectives / other corporate priorities

- 2.1 This report assists in the achievement of the following corporate well-being objective under the **Well-being of Future Generations (Wales) Act 2015**:
- **Smarter use of resources** – ensure that all resources (financial, physical, ecological, human and technological) are used as effectively and efficiently as possible and support the creation of resources throughout the community that can help to deliver the Council's well-being objectives.

3. Background

- 3.1 The preparation of the Statement of Accounts is a requirement of the Accounts and Audit (Amendment) (Wales) Regulations 2014 as amended and its content is defined by the Chartered Institute of Public Finance and Accountancy (CIPFA's) 'Code of Practice on Local Authority Accounting in the United Kingdom' 2021-22 (the Code).
- 3.2 The Code 2021-22 states that "Authorities shall identify related party relationships and transactions, identify outstanding balances between the authority and its related parties, and identify the circumstances in which disclosures are required". Any related party transactions must then be disclosed within the Statement of Accounts.

4. Current situation/proposal

- 4.1 The requirement to declare related party transactions is not new within the Statement of Accounts. Audit Wales scrutinise these returns closely as part of their audit of the Statement of Accounts and have recommended that:

"The Council should:

- formally remind all councillors of the importance of completing and submitting their annual related party return by the deadline set by the Finance Department; and
- ensure that any outstanding related party returns are always pursued promptly."

4.2 This report is therefore to inform Members of the requirement to complete the declaration attached at **Appendix A** with reference to the guidance attached at **Appendix B** by Friday 8 April 2022. It is essential that this form is completed **as at 31 March 2022** and covers the full financial year or period for which the individual was a Member of the Council. Members should note that a copy of this declaration will be emailed separately to their Bridgend County Borough Council email address for completion and return.

5. Effect upon policy framework and procedure rules

5.1 There is no effect upon the policy framework and the procedure rules arising from this report.

6. Equality Act 2010 implications

6.1 The protected characteristics identified within the Equality Act, Socio-economic Duty and the impact on the use of the Welsh Language have been considered in the preparation of this report. As a public body in Wales, the Council must consider the impact of strategic decisions, such as the development or the review of policies, strategies, services and functions. It is considered that there will be no significant or unacceptable equality impacts as a result of this report.

7. Well-being of Future Generations (Wales) Act 2015 implications

7.1 The well-being goals identified in the Act were considered in the preparation of this report. It is considered that there will be no significant or unacceptable impacts upon the achievement of well-being goals/objectives as a result of this report.

8. Financial implications

8.1 There are no financial implications arising from this report.

9. Recommendations

9.1 That Council notes the requirement for Members to:

- formally declare any related party transactions for the financial year 2021-22
- complete and date the return no earlier than 31 March 2022
- submit the return by Friday 8 April 2022

Carys Lord
Chief Officer – Finance, Performance and Change
1 March 2022

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Background documents: None