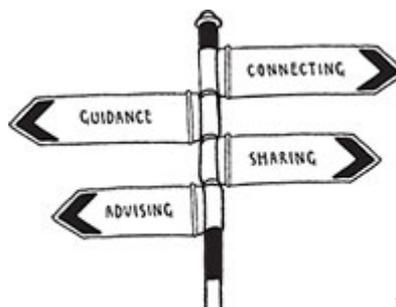


# Finance Advisory Network Newsletter



24 April 2020

## Advisor Update

Welcome to the April FAN Newsletter for practitioners in organisations that don't subscribe to the FAN service. This is a shorter one than normal as we have already issued specific alerts since the March newsletter covering key developments in respect of the Accounting Code and the 2019/20 accounts. To assist practitioners we have summarised the main messages below, along with other points of reference that we hope will be of practical assistance at this challenging time.

All three of the FAN team have now delivered workshops via webinars and initial feedback from attendees has been very positive. No doubt webinars will not only be a mechanism of responding to the immediate social distancing rules, but something that will offer more flexibility to practitioners in a world beyond the virus, and we welcome feedback and suggestions on how webinars might be used moving forward.

CIPFA continues to monitor the Government's guidance on COVID-19 in terms of the planned workshops and conferences and FAN will provide updates as it becomes clearer when social distancing rules on travel restrictions start to be eased.

The FAN team wish all practitioners good luck and we hope you continue to stay safe and well over the coming weeks and months.

David, Caroline and Sandra

## Events

### **Introduction to Local Government Finance**

[4 June, Webinar](#)  
[17 November, London](#)  
[18 November, Leeds](#)

### **Introduction to Collection Fund Accounts**

[30 June, London](#)  
[1 July, Manchester](#)  
[20 October, London](#)  
[21 October, Leeds](#)

### **Introduction to Local Authority Capital Accounting**

[21 July, Leeds](#)  
[22 July, London](#)  
[8 October, London](#)

### **Introduction to Accounting for Groups and Collaborative Arrangements**

[25 November, Leeds](#)  
[26 November, Birmingham](#)  
[27 November, London](#)

### **Introduction to Adult and Children's Social Care**

[28 April, Webinar](#)

[FAN Home](#)

## **Additional Support for 2019/20 Accounts – Feedback Requested from Practitioners**

CIPFA is keen to obtain feedback on whether any additional support would be welcomed by practitioners in respect of preparing the 2019/20 accounts, over and above receipt of the 'year-end' bulletin and the materials covered in the FAN Accounts Closedown workshops from earlier in the year.

FAN have set-up a [one question survey](#) and we would very much appreciate your immediate thoughts. Obviously if you feel you have all the information you need from CIPFA right now and just wish to 'get on with it' we would also appreciate that feedback via the short survey. Thank you.

## **FAN Events Update**

The events listing this month includes our workshops already on the website that are currently still scheduled to take place in the more traditional face-to-face style and are open for bookings. These may be subject to change (i.e. delivered through a webinar delivery) depending on how long the social distancing requirements are in place. Please note that the two Introduction to Local Government Finance workshops originally scheduled for early June will now be delivered by webinar on 4 June.

Updates on these and all our other planned workshops for 2020 will follow in future newsletters and through social media, so please follow us on Twitter and LinkedIn (see links below) so that you don't miss any updates or important announcements.

CIPFA and the FAN team thank you for your patience during this uncertain time.

## **CIPFA Year-end Bulletin**

The Local Authority Accounting Panel (LAAP) have been reviewing a draft year-end bulletin following the recent decision by CIPFA/LASAAC not to revise the 2019/20 Code requirements. LAAP is due to meet again shortly to finalise the bulletin, however it is hoped that it will be issued in the next week.

Topics likely to be covered include Dedicated Schools Grants, IFRS 16 deferral to 2021/22, COVID-19 impact on measurement of assets and liabilities, accounting for McCloud and Sargeant Judgements, amendment to accounts publication dates under regulation and disclosure of accounting standards issued but not yet adopted.

## **2020/21 Code – Update**

Following the decision to defer the IFRS 16 Leases standard to 2021/22, the draft 2020/21 Code will need to be updated to reflect CIPFA/LASAAC's decision on the deferral of the standard. The updated Code will then require formal approval by CIPFA/LASAAC and FRAB, therefore the anticipated publication date for the Code will be later than previously expected. Further updates will follow once the timelines are clearer.

## **Open Book Contract Management: mitigating the impact of COVID-19**

The Cabinet Office has issued guidance advising public bodies (contracting authorities) and suppliers to agree to act on an open book basis (Action Note PPN 02/20), as a way to deal with the contractual and cost implications of COVID-19. These implications include delayed projects, reduced productivity due to social distancing, additional costs for suppliers, delay and increased cost to material supply, furloughed employees, and expired service contracts.

In response to this, CIPFA and construction consultancy Stradia have developed a half-day interactive webinar that focuses on how open book contract management (OBCM) best practice can be implemented, particularly during the current restricted business activity. There are two sessions scheduled for 6 May and 14 May and further details of costs and how to book can be found on the [CIPFA website](#).

### **Summary of the accounting impact of recent government announcements on Covid-19 support**

Pulling together all the recent changes, FAN and CBRS have summarised the accounting impact of government announcements on COVID-19 support, including:

- Expanded Retail Discount 2020/21
- Business Grants
- NNDR 1 2020/21 S31 Grants paid in advance
- Deferral of Central Share
- Council Tax Hardship Scheme

This has been included in a [COVID-19 FAQ page](#) on the CIPFA website.

### **Additional £1.6bn Funding Announced for Local Government**

Last month the government announced that it would be providing local authorities with an additional £1.6bn via a S31 grant. The [individual allocations](#) for this were made to local authorities on 3 April 2020. The funding is un-ringfenced and whilst it can be used at the local authority's discretion across all services facing pressures, it is expected that it will be used "to help respond to coronavirus (COVID-19) pressures across all the services they deliver. This includes increasing support for the adult social care workforce and for services helping the most vulnerable, including homeless people".

In the past few days, the government has announced a further £1.6bn for local authorities, making a total provision of £3.2bn to help them deal with the immediate impacts of Coronavirus. This additional £1.6bn will also be un-ringfenced with individual allocations to be announced shortly

In addition to the above, £850m in social care grants will now be paid up front in April, rather than during April, May and June, to help ease the immediate pressure on cash flows.

Further details on the above measures can be found [here](#).

### **European Structural and Investment Funds: Coronavirus (COVID-19) Response**

The Government have published a series of documents and updates regarding the [2014 to 2020 European Structural and Investment Funds Programme](#) and the response to COVID-19.

### **Additional COVID-19 advice and support for local authorities**

CIPFA has set-up an online hub for COVID resources which can be found [here](#).

Essential guidance for local authorities on all aspects of the coronavirus support can be found on the [GOV.UK website](#).

### **CIPFA Thinks**

Don't forget to periodically check [CIPFA Thinks](#) to see the latest set of articles, comments and publications covering topical aspects of public finance and issues specific to [local government](#).

## Follow FAN on Twitter and connect to us on LinkedIn

David, Sandra and Caroline regularly tweet details of relevant news stories, FAN event updates, CIPFA consultation alerts, COVID-19 updates, etc. We encourage practitioners to follow us on Twitter for the latest news, so even if you don't 'tweet' yourself, it's a great way to keep updated on key issues affecting local authority finance and accounting. Click to find [David Sandra](#) and [Caroline](#) on Twitter, or search for all our network advisor tweets using the hashtag [#cipfanetworks](#).

We can also be found on LinkedIn and increasingly use social media for additional FAN updates, so if you are on LinkedIn then please feel free to connect to us: [David](#) , [Sandra](#) and [Caroline](#).

## LinkedIn Discussions

CIPFA has its own [LinkedIn group](#) where you can find up to date announcements and discussions on all the latest issues in the public sector. Why not join in one of the discussions or start a conversation of your own?

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## News Roundup

**News stories are part of the subscriber service only.**

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## Publications

[IFRS 16 Leases: An Early Guide for Local Authority Practitioners](#)

[Financial Management Code Guidance Notes](#)

[Code of Practice on Local Authority Accounting in the United Kingdom 2020/21](#)

[Code of Practice on Local Authority Accounting in the United Kingdom: Disclosure Checklist for 2019/20 Accounts](#)

[Financial Management Code](#)

[Service Reporting Code of Practice for Local Authorities \(2020/21 Edition\)](#)

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