Invitation to Comment on the 2023/24 Code of Practice on Local Authority Accounting in the United Kingdom

August 2022

Table of contents

Invitation to comment

1. Introduction

1. Local authorities in the United Kingdom are required to keep their accounts in accordance with 'proper practices'. This includes, for the purposes of local government legislation, compliance with the terms of the *Code of Practice on Local Authority Accounting in the United Kingdom* (the Code), prepared by the CIPFA LASAAC Local Authority Accounting Code Board (CIPFA LASAAC). The Code is reviewed continuously and is issued annually.

2. Under the oversight and advice of the Financial Reporting Advisory Board, CIPFA LASAAC can issue in-year updates to the Code. This is only done in exceptional circumstances.

3. This invitation to comment (ITC) sets out proposals for revisions to the 2023/24 Code which will apply to accounting periods commencing on or after 1 April 2023 (Section A of this ITC). This ITC also includes the proposed approach to implementing IFRS 17 *Insurance Contracts* (Section B) and a discussion about CIPFA LASAAC's strategic plan (Section C).

2. The consultation process

4. Specific consultation questions have been included in the ITC. CIPFA LASAAC also welcomes general comments on the Code. To assess comments properly, CIPFA LASAAC would prefer respondents to support comments with clear accounting reasons and, where applicable, explanations of practical effects.

5. Responses to this invitation to comment will be regarded as on the public record and may be published on the CIPFA website. Copies of all correspondence and an analysis of responses may be provided to the Financial Reporting Advisory Board.

6. An exposure draft setting out proposed changes to the Code is attached at Annex 1.

7. In order that they can be considered by CIPFA LASAAC in time to inform possible implementation, responses are required by 14 October 2022.

8. Please make responses by email to cipfalasaac@cipfa.org.

Section A

3. IFRS 16 *Leases* Deferral, Stable Platform for the Code and Accounting for Infrastructure Assets

3.1 Deferral of the mandatory implementation of IFRS 16

9. Stakeholders are likely to be aware that in April CIPFA LASAAC agreed to defer the mandatory adoption of IFRS 16 *Leases* following its Emergency proposals for an update of the 2021/22 Code of Practice on Local Authority Accounting in the United Kingdom and the 2022/23 Code. It issued its statement on the deferral of IFRS 16 Leases for Local Authorities on 8 April 2022.

10. CIPFA LASAAC would note that this decision was not taken lightly, and the decision was taken was a pragmatic response due to the severe delays in the publication of audited local authority financial statements in England. CIPFA LASAAC supports the implementation of IFRS 16 and its contribution to high quality financial reporting. It would reiterate its comments in the statement that it would strongly encourage local authorities to voluntary adopt the standard.

11. Local authorities are therefore permitted to adopt the standard as of 1 April 2022 or 1 April 2023 and the 2022/23 Code includes a separate Appendix F including the provisions under which local authorities may adopt IFRS 16 as of 1 April 2022. Similar provisions will be included in the 2023/24 Code. The 2022/23 Code which was delayed to incorporate the deferral of IFRS 16 will be published imminently.

3.2 Stable platform

12. To be consistent with its decision to delay the mandatory implementation of IFRS 16 in the Code, CIPFA LASAAC considers that it is necessary to ensure that the Code presents as stable a platform as possible for local authority accounts preparers and other stakeholders to avoid additional resource pressures on the local audit framework. The changes discussed in this ITC have therefore been kept to a minimum to maintain this stable platform. Therefore, the changes presented in this ITC are only those relating to accounting standards and legislative changes, apart from the request for views on CIPFA LASAAC's approach to its strategic plan.

Stable platform	
Q1	Do you agree with the approach to the changes to the Code ie to maintain a stable platform in the 2023/24 Code? If not, why not? Please provide your views on why this might be the case.

3.3 Accounting for infrastructure assets

13. Stakeholders will be aware that CIPFA LASAAC has issued its Urgent consultation on temporary changes to the code to resolve infrastructure assets reporting issues. Note that the solution proposed was intended to be a temporary pragmatic solution necessary to resolve the reporting issues that have arisen for these assets. The consultation closed on 14 June 2022.

14. The Board had a very good response with responses from 83 respondents, and there were various outreach processes. CIPFA LASAAC has issued a statement on the outcomes of the consultation. The 2023/24 Code will reflect the outcome of the current work on infrastructure assets, though a longer-term solution is likely to be included in future editions of the Code.

4. Changes to Standards for 2023/24

4.1 Definition of Accounting Estimates, Amendments to IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*

15. In February 2021, the IASB published Definition of Accounting Estimates, Amendments to IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors.* These amendments were intended to help entities distinguish between accounting policies and accounting estimates. The amendments are effective from accounting periods beginning on or after 1 January 2023.

16. The changes to IAS 8 are such that:

    - the 'change in accounting estimates' definition is replaced with a definition of accounting estimates; the new definition describes accounting estimates as "monetary amounts in financial statements that are subject to measurement uncertainty"
    - accounting estimates are developed if accounting policies require items to be measured in a way which involves measurement uncertainty
    - a change in accounting estimate that results from new information or new developments is not a correction of an error. The effects of a change in input or a measurement technique are changes in estimates provided they do not result from the correction of a prior period error.

17. In addition, a change in accounting estimate may affect only the current period of profit or loss or the profit or loss of current periods and future periods. The effect of the change in the current period is recognised in profit and loss in the current period, or in future periods if relevant.

18. CIPFA LASAAC is of the view that these changes are useful to local government accounts preparers and should be included in the 2023/24 Code without adaptation or interpretation.

Definition of Accounting Estimates, Amendments IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*	
Q2	Do you agree with CIPFA LASAAC's view that the changes included in the Definition of Accounting Estimates, Amendments to IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* should be implemented in the Code as outlined in the ITC? If not, why not? What alternatives do you suggest?

4.2 Disclosure of Accounting Policies, Amendments to IAS 1 *Presentation of Financial Statements* and IFRS Practice Statement 2 *Making Materiality Judgements*

19. The IASB issued Disclosure of Accounting Policies Amendments to IAS 1 *Presentation of Financial Statements* and IFRS Practice Statement 2 *Making Materiality Judgements* with amendments that are intended to help accounts preparers in deciding which accounting policies to disclose in their financial statements. The amendments are effective for annual periods beginning on or after 1 January 2023.

20. The following amendments are included in IAS 1:

    - a requirement to disclose an entity's material accounting policy information instead of its significant accounting policies
    - clarification that accounting policy information may be material because of its nature, even if the related amounts are immaterial
    - clarification that accounting policy information is material if users of an entity's financial statements would need it to understand other material information in the financial statements
    - confirmation that if an entity discloses immaterial accounting policy information, such information must not obscure material accounting policy information.

21. Additional provisions are included in IAS 1 to explain how an entity can identify material accounting policy information. These new provisions also provide examples of when accounting policy information is likely to be material.

22. CIPFA LASAAC is of the view that these amendments to IAS 1 will assist local authority accounts preparers in disclosing the material accounting policies and that they should be implemented in the Code without adaptation or interpretation.

23. The amendments to IFRS Practice Statement 2 include guidance and examples to explain the application of the four-step materiality process to accounting policy information to support the amendments to IAS 1. Note that local authorities are not required to follow the provisions of IFRS Practice Statement 2 though they may find its guidance helpful.

Disclosure of Accounting Policies, Amendments to IAS 1 *Presentation of Financial Statements* and IFRS Practice Statement 2, *Making Materiality Judgements*	
Q3	Do you agree with CIPFA LASAAC's view that Disclosure of Accounting Policies, Amendments to IAS 1 *Presentation of Financial Statements* and IFRS Practice Statement 2 *Making Materiality Judgements* should be implemented in the Code as outlined above? If not, why not? What alternatives do you suggest?

4.3 Deferred Tax relating to Assets and Liabilities arising from a Single Transaction, Amendments to IAS 12 *Income Taxes*

24. The IASB issued Deferred Tax relating to Assets and Liabilities arising from a Single Transaction, Amendments to IAS 12 *Income Taxes* on 7 May 2021. The Amendments are effective for annual periods beginning on or after 1 January 2023.

25. These amendments are such that the narrow the scope of the initial recognition exemption in paragraphs 15 and 24 of IAS 12 so that this exemption does not apply to transactions that, on initial recognition, give rise to equal and offsetting amounts of taxable and deductible temporary differences. They result in entities recognising deferred taxes by applying the general requirements of the standard.

26. These amendments will not apply to local authorities themselves and will not require amendment to the 2023/24 Code but may apply to local authority group accounts.

Deferred Tax relating to Assets and Liabilities arising from a Single Transaction, Amendments to IAS 12 *Income Taxes*	
Q4	Do you agree with CIPFA LASAAC's view that Deferred Tax relating to Assets and Liabilities arising from a Single Transaction, Amendments to IAS 12 *Income Taxes* should be implemented in the Code as outlined in the ITC? If not, why not? What alternatives do you suggest?

4.4 Reference to the Conceptual Framework, Amendments to IFRS 3 *Business Combinations*

27. The amendments to IFRS 3 *Business Combinations*, Reference to the Conceptual Framework were issued by the IASB in May 2020 and have been subject to UK Endorsement. The amendments are effective for annual periods beginning on or after 1 January 2022. They were not included in the consultation on the 2022/23 Code and therefore have been deferred to the consultation on the 2023/24 Code.

28. The changes in IFRS 3, Reference to the Conceptual Framework amend IFRS 3 so that it refers to the 2018 Conceptual Framework instead of the 1989 Framework.

29. In addition, the changes that update IFRS 3 include:

- a requirement added to IFRS 3 so that, for transactions and other events within the scope of IAS 37 *Provisions, Contingent Liabilities and Contingent Assets* or IFRIC 21 *Levies*, an acquirer applies IAS 37 or IFRIC 21 to identify the liabilities it has assumed in a business combination (instead of the Conceptual Framework)

- an explicit statement that an acquirer does not recognise contingent assets acquired in a business combination.

30. These amendments to IFRS 3 are not likely to significantly affect local authority transactions and will not require direct amendment to the Code but will need to be implemented in the 2023/24 Code (and included in the listing at Appendix D).

Reference to the Conceptual Framework, Amendments to IFRS 3 *Business Combinations*	
Q5	Do you agree with CIPFA LASAAC's view that Reference to the Conceptual Framework – Amendments to IFRS 3 *Business Combinations* should be implemented in the Code as outlined above? If not, why not? What alternatives do you suggest?

5. Legislative Changes

5.1 Introduction

31. CIPFA LASAAC would wish to highlight that the following changes to legislation should be included in the 2023/24 Code.

5.2 Accounts publication deadlines (England)

32. The Accounts and Audit Regulations 2015 have been amended such that the deadline for the publication of the audited accounts will move to 30 September for 2022/23 and 2023/24 financial years. This change will have been made to the 2022/23 Code and will also be reflected in the 2023/24 Code.

5.3 Fair value gains and losses on pooled investments (England and Wales)

33. In 2018 a new regulation was inserted into the Local Authorities (Capital Finance and Accounting) Regulations 2003 to provide that a local authority must not charge an amount to its revenue account to reflect any fluctuation in the fair value of a local authority's investment in a pooled investment fund. Instead, such amounts must be recorded in a separate account established and usable solely for that purpose. This regulation applies to accounts prepared for financial years in respect of the period beginning on 1 April 2018 and ending on 31 March 2023 and so, subject to any further consultative processes, would need to be reflected in the Code. Equivalent provisions were inserted into the Welsh Regulations.

34. CIPFA LASAAC understands that there will be a consultation on these amendments to the capital finance and accounting regulations which will be issued imminently by the Department for Levelling Up, Housing and Communities (DLUHC). Any changes to the Code will need to reflect the outcomes of this consultation.

5.4 Dedicated Schools' Grant (England)

35. On 6 November 2020, the secretary of state for the then Ministry of Housing, Communities and Local Government (MHCLG), now DLUHC, laid before Parliament a statutory instrument, the Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2020. The regulations provide that where a local authority has a deficit on its school budget, the authority must not charge any such deficit to its revenue account. Instead, the regulations provide that local authorities must charge any such deficit to a separate account, established and usable solely for that purpose. The regulations apply to accounts in the financial years 2020/21, 2021/22 and 2022/23, and provide formulas for calculating whether a local authority has a schools budget deficit in relation to each such financial year.

36. Paragraph 2.3.3.13 of the Code established a separate account to accommodate the provisions of the regulations and will need to be removed as the provisions will no

longer apply. CIPFA will work with DLUHC and the Department for Education to set out the accounting treatment to accommodate the changes.

37. It is understood that government will undertake a consultative process with local authorities on the impact of the ending of the prescriptions for the amendments to the Regulations and again the Code may need to reflect the outcomes of these consultative processes.

Legislative Changes	
Q6	Do you agree with CIPFA LASAAC's approach to legislative changes? If not, why not? What alternatives do you suggest?

Section B

6. IFRS 17 *Insurance Contracts*

6.1 Introduction

38. IFRS 17 *Insurance Contracts* will supersede IFRS *4 Insurance Contracts*. IFRS 4 is one of the small number of IFRSs that are only expected to apply to local authorities in limited circumstances. The Code does not include detailed accounting requirements for such standards, which are simply listed in Appendix A (IFRSs with limited application to local authorities) with a brief explanation.

39. Following some amendments, IFRS 17 has a revised effective date of 1 January 2023. It has been UK-adopted and therefore could be implemented in the Code. CIPFA LASAAC understands that due to the impact this might have on some bodies, mandatory implementation in the public sector will be deferred to the 2025/26 year, with early adoption allowed subject to consideration on a case-by-case basis.

40. The IASB is clear that IFRS 17, like IFRS 4, is designed for insurance companies. In its fact sheet it indicates:

    IFRS 17 applies to insurance contracts. Although this means that IFRS 17 affects any company that writes insurance contracts, such contracts are generally not written by companies outside of the insurance industry. (IASB, May 2017).

41. CIPFA LASAAC has included a summary of the key aspects of the standard in Figure 1 below.

42. It should be noted that the main reason why IFRS 17 does not apply to large numbers of local authorities is because of scope exclusions for routine transactions which include insurance risk. For example, warranties in contracts for the sale of goods and services is that they will normally fall to be accounted for using IFRS 15 *Revenue from Contracts with Customers*. Alternatively, IFRS 9 *Financial Instruments* or IAS 37 *Provisions, Contingent Assets and Contingent Liabilities* may be applicable.

43. CIPFA LASAAC has consulted three times on the implementation of this standard in the Code consultation (on the 2020/21, 2021/22 and the 2022/23 Codes).

44. Very few responses have been made to the consultation questions and the analysis of these responses did not provide a convincing case for significant change to the approach or suggest that IFRS 17 warrants provision of detailed material in the Code. Therefore, CIPFA LASAAC has decided that the assumption that the Code should continue the current approach, designating IFRS 17 as one of the small number of IFRSs that are only expected to apply to local authorities in limited circumstances, and restricting the content of the Code. The Exposure Draft reflects this approach.

45. Although following this approach it is unlikely to have a major impact on local authorities, to maintain a stable platform CIPFA LASAAC will follow the approach for the rest of the public sector and implement IFRS 17 in the 2025/26 Code but has

included the Exposure Draft to allow the small number of bodies that this might affect to consider whether any different approach might be required.

IFRS 17 *Insurance Contracts*	
Q7	Do you agree with CIPFA LASAAC's approach to the implementation of IFRS 17 *Insurance Contracts* in the Code? If not, why not? What alternatives do you suggest?
Q8	Do you agree with the timing of the implementation of IFRS 17 *Insurance Contracts* in the Code ie in the 2025/26 Code? If not, why not? What alternatives do you suggest?

Figure 1: Key Aspects of IFRS 17 *Insurance Contracts*

Key aspects of IFRS 17 are as follows:

- An insurance contract is one in which the issuer accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder.
- Significant insurance risk is a risk, other than a financial risk, transferred from the holder of the contract to the issuer (ie from the policyholder to the insurer). Significant insurance risk is measured only by reference to the scale of the potential compensation. The probability of the event occurring is not considered: even an extremely unlikely event can be a 'significant insurance risk' and require reporting to follow IFRS 17.
- IFRS 17 may apply to contracts that are not specifically titled as insurance contracts and/or are not considered to be primarily concerned with 'insurance'.
- Several scope exclusions are specified where other standards are considered to be applicable.

Section C

7. CIPFA LASAAC's Strategic Plan

7.1 Introduction

46. CIPFA LASAAC has updated its strategic plan with an intended focus on improving the presentation of local authority financial statements and ensuring that local authority accounts clearly present their key messages. However, CIPFA LASAAC's work on its strategic plan will be set against the stable platform discussed in Section 2 of this ITC, unless any changes will assist with the resource issues faced by accounts preparers and/or local auditors.

7.2 CIPFA's Financial Reporting Hub

47. The work of CIPFA LASAAC's strategic plan will be facilitated by the CIPFA Financial Reporting Hub (FRHub). The FRHub is a standing working group of CIPFA's Accounting and Financial Reporting Forum and is supported by treasurers' representatives.

48. The FRHub will also have a focus on improving the presentation of local authority financial statements. Its first areas of examination will be Group Accounts, separation of the pension fund from the local authority financial statements and IFRS 16 disclosures. CIPFA is also of the view that it will be useful if the FRHub considers the presentation of the collection fund and its associated disclosures. These issues can be considered without changes to the Code.

7.3 Communication of key messages of the financial statements

49. CIPFA LASAAC is also committed to ensuring that the key messages of the financial statements can be communicated to council taxpayers and members as representatives of service recipients. It notes that the government though supportive has deferred the work on the Redmond Recommendations for the Standardised Statement of Service Information and costs until more stability is brought forward into the local audit framework. CIPFA LASAAC will continue its work into whether summarised financial information at the front of the narrative report will act as a medium to promote the key messages in the financial statements.

7.4 Sustainability reporting

50. Supporting and planning for environmental change and impact is pervasive and an integral part of public services in the UK. It is understood that large numbers of local authorities have declared a climate emergency. The new Treasury Management Code includes prescription that Treasury Management Practice Statement 1 has a counterparty credit risk where the counterparty policy must set out the organisation's policy and practices relating to environmental, social and governance (ESG) investment considerations.

51. Currently there is no explicit requirement for local authorities to produce a sustainability report. However, sustainability should feature in a local authority's

narrative report. Reporting on the impact of the challenges of the environment could be included under all the elements outlined in paragraph 3.1.1.4 of the Code ie:

- organisational overview and external environment
- governance
- operational model
- risks and opportunities
- strategy and resource allocation
- performance
- outlook.

52. In addition to narrative reporting requirements as climate commitments increase, the impact of climate change is felt and local authorities make changes to support their environmental policies, sustainability reporting will have a wider impact on local authority financial statements and financial reporting. There are numerous areas that might be impacted, and the table below presents a number of possibilities – note that this table is not intended to present an exhaustive list. Other standards that might be impacted on include IFRS 9 *Financial Instruments* or IFRS 13 *Fair Value Measurement*.

Table 1: Standards impacted on by environmental or sustainability issues

Standards (as implemented in the Code)	**Possible impact**
IAS 1 *Presentation of Financial Statements*	Whether and how they considered climate-related risks in determining fair value or the current values of assets (see IFRS 13 and IAS 16 *Property Plant and Equipment*). Significant risks that key assumptions may change within the next financial year (eg due to a potential changes in the regulatory environment). Any estimation assumptions and uncertainty created by environmental issues would need to be explained.
IAS 16 (IAS 38 *Intangible Assets*), IAS 36 *Impairment of Assets*	New additions capitalised to meet climate/environmental needs. Impact of changes on fleet of new environmental requirements (particularly for large fleet items).

	Impairment impacts because of climate change events, flooding, coastal defence erosion etc. Potential impairment if regulatory requirements impose different building standards. If assets do not meet environmental standards, at what point do they become impaired.
IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*	A regulatory change in building standards to meet climate needs may create an obligating event which needs to be provided for. Environmental issues may impact on current obligations or decommissioning obligations for example. Policy commitments to change assets to meet climate needs may create an obligating event which needs to be provided for.

53. At the same time there are significant developments in sustainability reporting internationally. On 3 November 2021, the IFRS Foundation Trustees announced the creation of a new standard-setting board, the International Sustainability Standards Board (ISSB), to help meet the demand from the users of the financial statements, particularly international investors. The intention is for the ISSB to deliver a comprehensive global baseline of sustainability-related disclosure standards that provide investors and other capital market participants with information about companies' sustainability-related risks and opportunities to help them make informed decisions.

54. On 31 March 2022 the ISSB has issued a consultation on its first two proposed standards. One sets out general sustainability-related disclosure requirements and the other specifies climate-related disclosure requirements.

55. In response to stakeholder demand on 9 May the International Public Sector Accounting Standards Board (IPSASB) launched an international consultation on developing a sustainability reporting framework for the public sector. To initiate the discussion, the IPSASB issued its Consultation Paper, Advancing Public Sector Sustainability Reporting. The consultation will close on 9 September 2022.

56. CIPFA will be responding to the consultations issued by the ISSB and IPSASB.

57. CIPFA LASAAC is of the view that sustainability reporting is going to become increasingly important to the local government sector, and it is vital that local authority financial statements present the impact of the environment and sustainability on local

authority financial performance, financial position and cash flows in their financial statements.

58. The impacts of environmental and sustainability reporting are already covered in standards terms by the provisions of the Code and therefore no changes are explicitly required to the Code and probably could be covered by guidance, though arguably there are no explicit requirements to produce sustainability reporting information in the Code. However, as it is such an important issue requiring significant changes in practice, CIPFA LASAAC considers that it needs to be added to its strategic plan and would seek stakeholders' views on this issue.

7.5 Changes to the structure/format of the Code

59. CIPFA LASAAC would note that the Code, though updated regularly and kept under constant review, has not had significant amendments to its structure and format since its inception in 2010/11 (the 2010/11 Code was issued in September 2009) to ensure that users were familiar with its structure and content. CIPFA LASAAC would note that the ways in which information is communicated to the public sector more generally has gone under significant change since then. The Code is provided in hard copy and PDF.

60. CIPFA is considering its electronic platform for its services which will be able to include the Code. Therefore, it will be important that the Code's information and the accessibility of its format is reviewed.

61. Notwithstanding the changes to the format for delivery of the Code CIPFA LASAAC considers that it would be timely to consider the structure and format of the Code. CIPFA LASAAC's preliminary objectives for the review are that it would be keen to ensure that the Code:

- promotes CIPFA LASAAC's objective to promote high-quality financial reporting and specifically its vision statement and strategic themes (see Annex A)
- ensures that its users are able to understand how local authorities can achieve the reporting of a true and fair view of its financial position, performance and cash flows
- supports local authorities in ensuring that they are able to communicate the key messages of the financial statements to local authority users of the financial statements
- is the principal source of local government financial and narrative reporting
- is structured so that its provisions are readily accessible to its users
- clearly sets out where local government circumstances and therefore reporting differ from both the private sector and in some cases the rest of the public sector, so ensuring that the adaptations and interpretations are readily understood
- identifies all of the reporting requirements for local authorities across the UK (including separate statutory reporting requirements for each of the devolved administrations and England).

62. CIPFA LASAAC is still considering its objectives for the review and would welcome users' thoughts on the above list, including others that they might suggest.

7.6 Horizon scanning

63. CIPFA and CIPFA LASAAC have taken every effort to support to local audit framework in its current difficulties; both bodies support high quality financial reporting for local government. CIPFA LASAAC has taken a pragmatic approach to both its emergency/urgent consultations. However, it is concerned that such consultations should not become a regular occurrence and should be on an exceptional basis only. The next section of this consultation is intended as an opportunity for all stakeholders to identify any issues with local authority financial reporting and the Code so CIPFA LASAAC would encourage all stakeholders to identify any issues causing concern or where more guidance might be beneficial.

64. CIPFA will be regularly engaging with all stakeholders and the Accounting and Financial Reporting Forum will undertake regular horizon scanning to ensure that it is aware of issues that might be facing the financial reporting framework.

Strategic plan	
Q9	Do you have any comments on the topics that CIPFA LASAAC's strategic plan should prioritise including the topics to be considered by the FRHub? Please set out the rationale for your response.
Q10	Do you have any suggestions for how CIPFA LASAAC and the FRHub might be able to assist local authority accounts preparers in communicating the key messages in the financial statements to the users of the accounts, including the provision of summary financial information?
Q11	Do you agree that sustainability reporting should be added to CIPFA LASAAC's strategic plan? If not, why not? What alternatives would you suggest?
Q12	Do you have any suggestions for how CIPFA LASAAC or CIPFA should support local authorities with reporting the impact of the environment or sustainability reporting in the local authority financial statements or accompanying reports (eg the narrative report)? Please set out the rationale for your response.
Q13	Do you have any comments on CIPFA LASAAC's preliminary objectives for reviewing the structure or format of the Code? Please set out the rationale for your response.

8. Further Guidance

65. CIPFA LASAAC would be interested to hear respondents' views on whether there are any areas within the Code, or as a result of policy developments, where additional guidance or improvements to the Code could be provided. This will help to inform the development programme for future editions of the Code, or where relevant and where more guidance might be required, be referred to the Accounting and Financial Reporting Forum.

66. CIPFA LASAAC would also wish to remind stakeholders that comments or suggestions regarding the Code can be submitted to cipfalasaac@cipfa.org at any time. Please note that this is not an advice or enquiries service.

Other areas where additional guidance might be required	
Q14	Are there any areas within the Code where additional guidance or improvements to the Code would be helpful? Please support your answer by giving details of the amendments you would suggest.

Annex 1 – CIPFA LASAAC’s Vision Statement and Key Aims

Vision Statement

UK local authority annual accounts should be widely recognised as an exemplar for clear reporting of the financial performance and position of complex public sector bodies. Users of accounts should be able to access the information they want to help them to understand the finances of an authority and to take practical and informed decisions.

Vision Implementation

To deliver the above vision, CIPFA LASAAC has three strategic themes:

A. Ensuring that the annual accounts clearly articulate their key messages regarding their financial performance and position

B. Engaging with stakeholders to raise awareness and understanding

C. Reviewing its operations to ensure it is able to deliver its vision.