



HM Treasury

Whole of Government Accounts:

Local Authority Guidance 2016-17

June 2017



HM Treasury

Whole of Government Accounts:

Local Authority Guidance 2016-17

June 2017

Contents

		Page
Chapter 1	Introduction	3
Chapter 2	Submission Process and Timetable	5
Chapter 3	Getting started on your DCT	11
Chapter 4	Completing the DCT (stage 1)	13
Chapter 5	Completing the DCT (stage 2: Counter-party Data)	19
Annex A	Changing the macro settings in Excel	25

1 Introduction

1.1 The Whole of Government Accounts (WGA) are prepared by HM Treasury in accordance with the Government Resources and Accounts Act 2000. These financial statements consolidate more than 6,000 entities that appear to HM Treasury to exercise functions of a public nature or to be entirely or substantially funded from public money and as such includes central government departments, non-departmental public bodies, public corporations, local authorities, the National Health Service and the devolved administrations.

1.2 The challenging timetable, in conjunction with the wider faster closing agenda, will require each WGA body to review their processes for both their statutory accounts and WGA returns to integrate these wherever possible.

1.3 There will be changes made to the DCT for 2016-17. The DCT provides an efficient means of collecting high quality data from entities that ensures the following:

- speeds up the consolidation process by including opening year balances
- improves data quality by carrying out data validation checks
- tracking of counter-party transactions
- protecting data from unauthorised changes during the preparation and submission stages

1.4 The external auditors of a local government entity have a **statutory responsibility to review and report on the Whole of Government Accounts return (the Data Collection Tool) prior to the issue of the audit certificate.**

Submission Process and Timetable

2

2.1 HM Treasury have now issued the template version of the Data Collection Tool (with macros) on the GOV.UK website. WGA entities will use the DCT to create their entity-specific version in which they enter their 2016-17 data. Please contact the WGA Team if you have problems creating your entity-specific version of the Data Collection Tool (DCT).

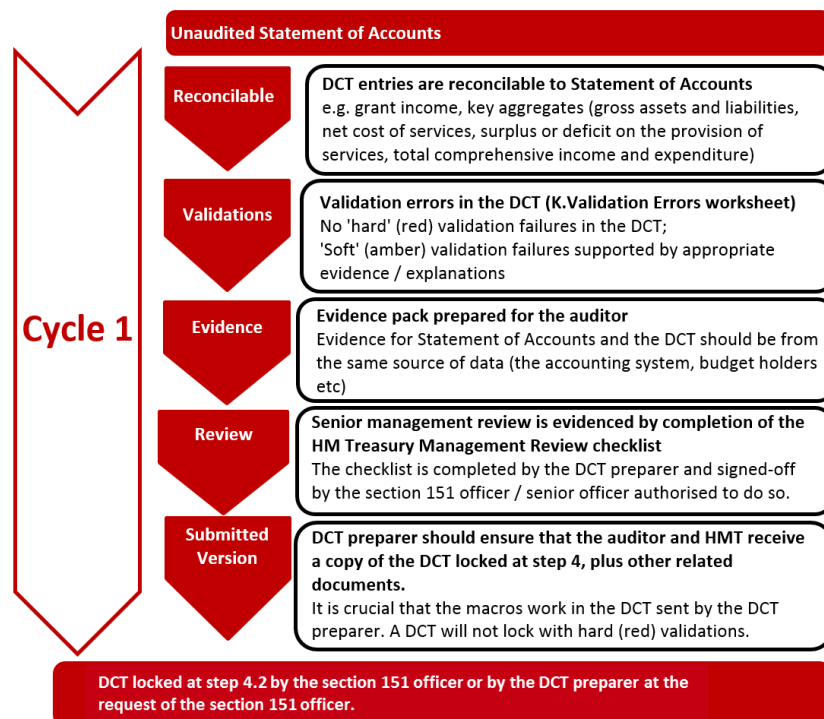
2.2 Local government entities should ensure that the data in their completed DCT reconciles to their unaudited Statement of Accounts (Cycle 1 stage) and then to their audited Statement of Accounts following any input from their auditor (Cycle 2 stage) where the entity is above the WGA audit threshold of £350 million.

2.3 The DCT return is only valid if the built-in macros are intact and operational and it has been through the locking process when submitted to the auditor and HM Treasury (the e-mail address is LG_WGAreturns@HMTreasury.gsi.gov.uk). **Please do not send any more e-mails to DCLG. The process has changed, and all e-mails should now be directed to the LG HMT inbox.**

2.4 The DCT must be saved as an Excel 97-2003 workbook with a 'XLS' extension with the name of the entity in the DCT title. Please do not save it as an 'xslm' file as the macros will not work.

2.5 HM Treasury have now issued a blank pro-forma template of the DCT without macros for English and Scottish local authorities on the GOV website (see <https://www.gov.uk/government/publications/whole-of-government-accounts-2016-to-2017-guidance-for-preparers>). This template is for information only and must not be used for your WGA submission to HM Treasury.

2.6 The main requirements for the Cycle 1 stage (unaudited) are set out in the diagram below.



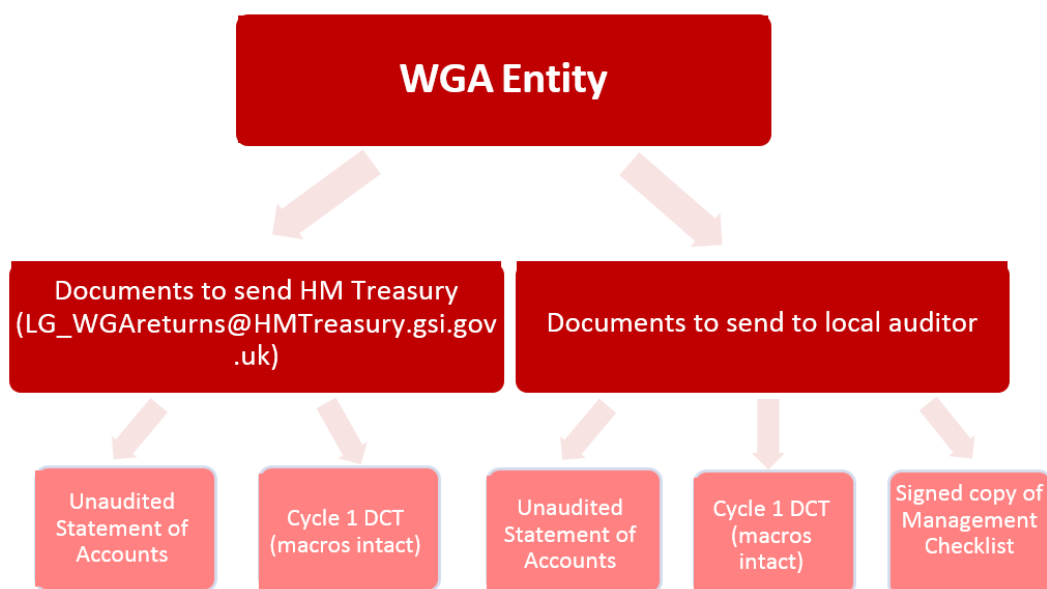
2.7 Where the DCT preparer anticipates that they cannot submit their Cycle 1 or Cycle 2 DCT by the published WGA deadlines then they must contact HM Treasury (via the WGA e-mail account LG_WGAreturns@HMTreasury.gsi.gov.uk) as soon as possible and give an explanation for the delay and the date when they will submit the DCT. This information is used by HM Treasury to manage the overall production of the consolidated WGA accounts and they may decide to publish a list of authorities that failed to meet the WGA deadlines.

2.8 All local government sector entities are required to submit a second DCT (Cycle 2 DCT) regardless of the extent of the work carried out by the local auditor. The Cycle 2 return will be the Cycle 1 Data Collection Tool pack updated for the following:

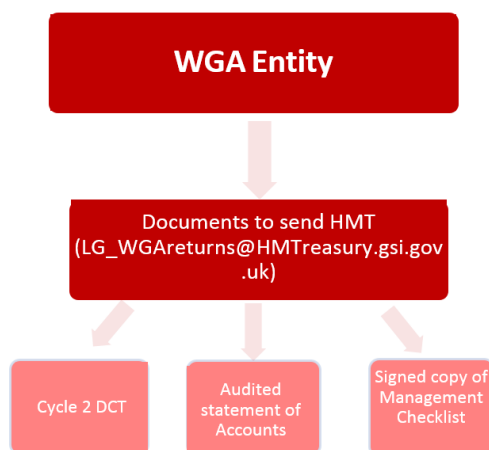
- Adjustments required by the auditor; and
- Other adjustments e.g. amendments to counter-party data following the release of counter-party mismatches reports based on Cycle 1 DCT returns.

2.9 The WGA entity should ensure that their local auditor and HM Treasury each receive the relevant WGA documents as set out in the diagram below:

Cycle 1 (Unaudited DCT) – Due 30 June 2017



Cycle 2 (Audited DCT) – Due 29 September 2017



2.10 HM Treasury is responsible for setting the WGA timetable deadlines. For 2016-17 the Cycle 1 DCT has to be submitted by 30 June 2017 and the Cycle 2 DCT by 29 September 2017. Please submit the DCT together with your Statement of Accounts (unaudited and the final audited version) to the HMT e-mail box LG_WGAreturns@HMTreasury.gsi.gov.uk.

Audit threshold limit

2.11 If the DCT data is **equal to or above** the audit threshold limit of £350 million for any of the following items:

- Total assets (excluding PPE)
- Total liabilities (less pension liabilities)
- Total income
- Total expenditure

your auditor will unlock the DCT for cycle 2 at step 5, lock cycle 2 at step 8 and return to yourselves to submit to HM Treasury. HM Treasury will not accept returns submitted by your auditor.

2.12 If the DCT data is **below** the audit threshold limit:

- Notify HM Treasury that your entity is below the audit threshold and you would like cycle 2 unlocked. HM Treasury will not be able to unlock your DCT without audit threshold confirmation.
- Lock cycle 2 at step 7 before submitting to HM Treasury without locking at step 8.

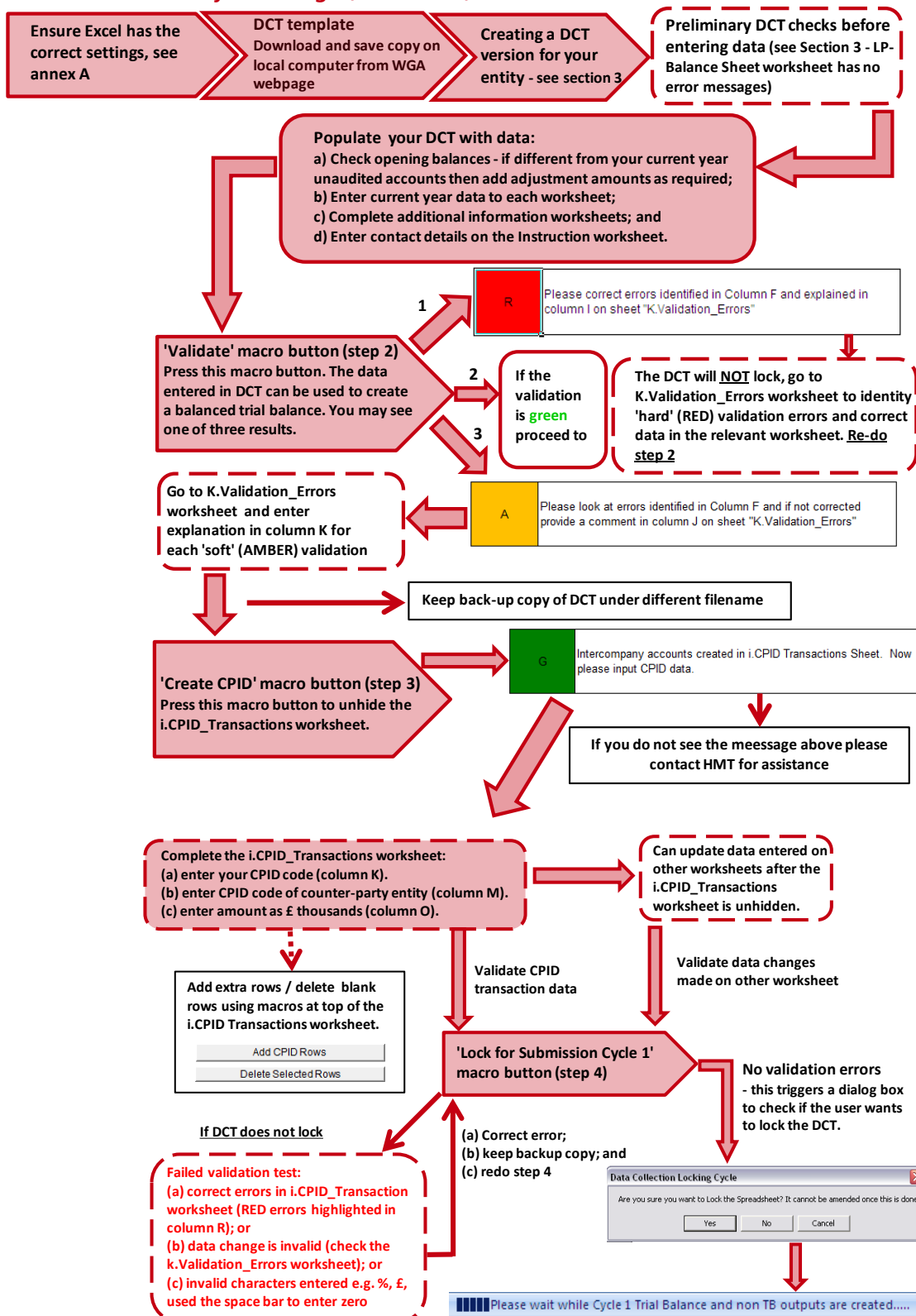
Cycle 1 and Cycle 2 DCTs

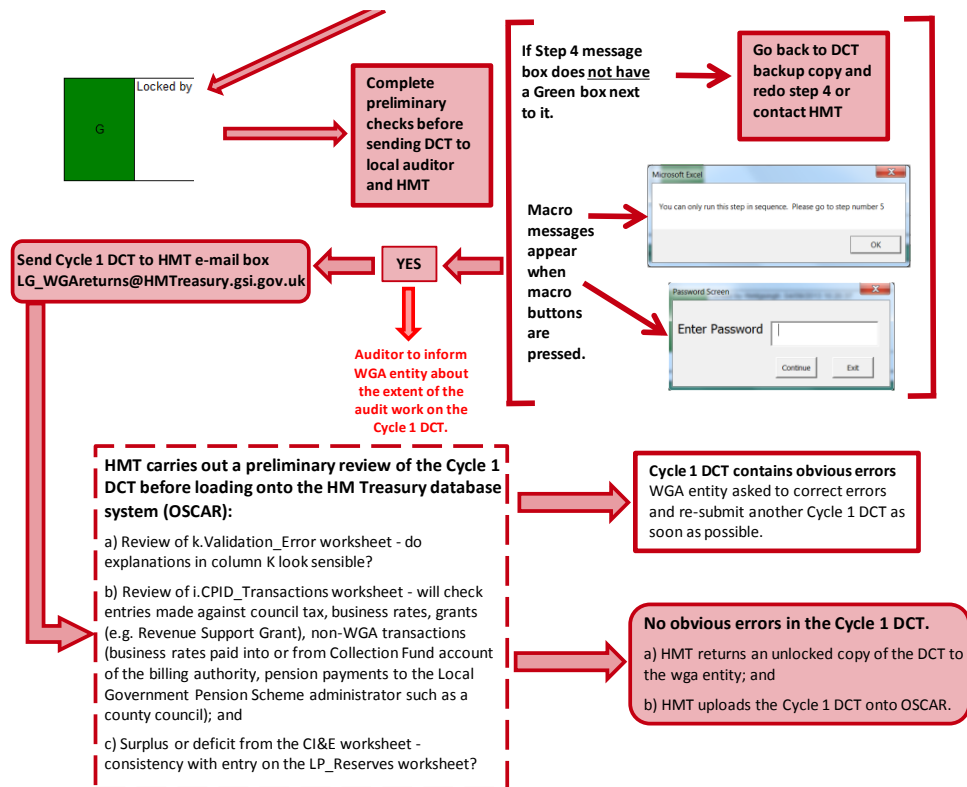
2.13 Progression through the Cycle 1 and Cycle 2 stages is dependent on the WGA entity satisfying the validation tests associated with each macro buttons on the Instructions worksheet of the DCT. The diagram on the following page gives an overview of each stage.

Highways Infrastructure Assets

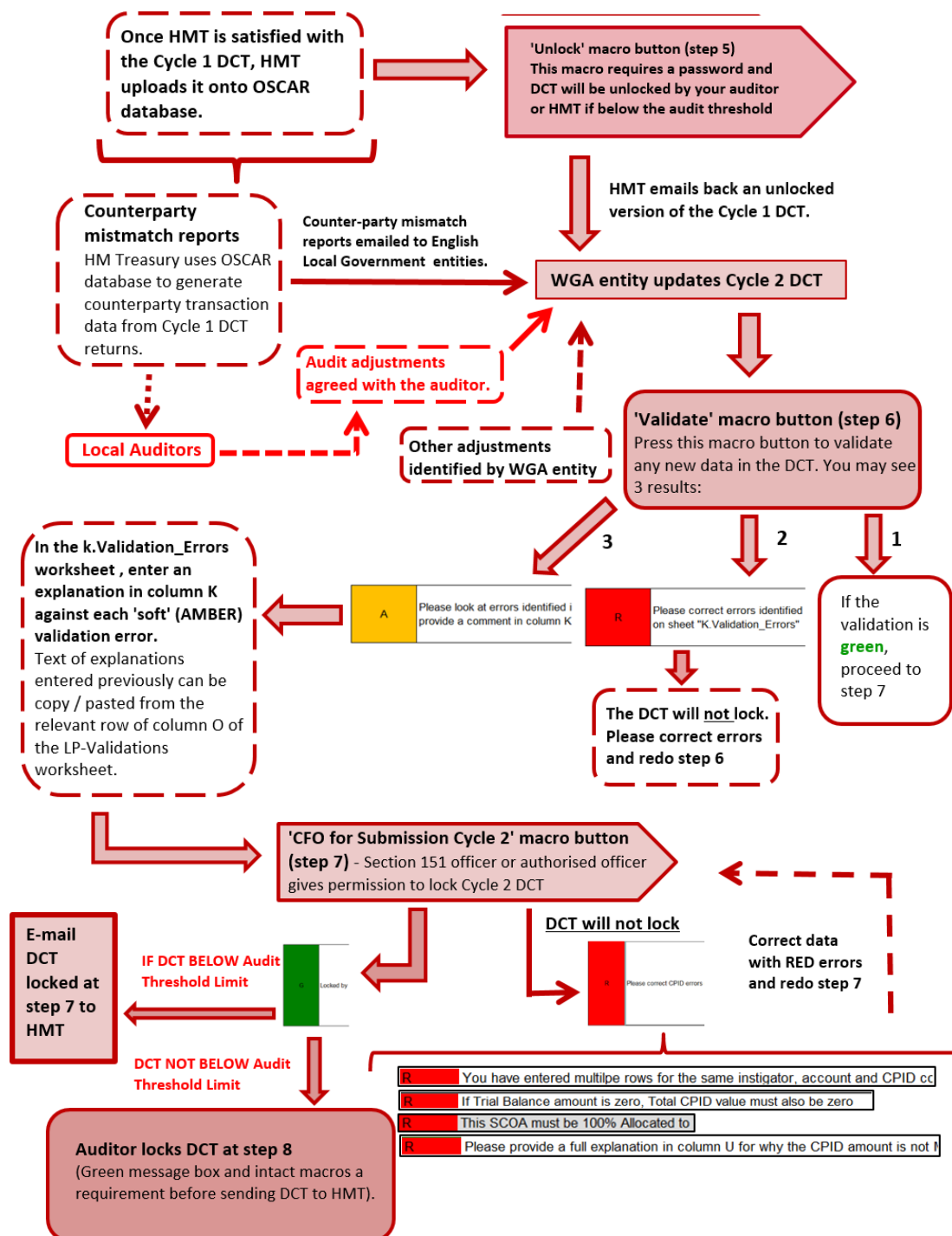
2.14 The section on Highways infrastructure assets will not change for 2016-17. The purpose of this section is to build a picture of the value of the assets that will be brought on to the WGA balance sheet in 2018-19.

Cycle 1 Stage (Unaudited) – Due 30 June 2017





Cycle 2 Stage (Audited) – Due 29 September 2017



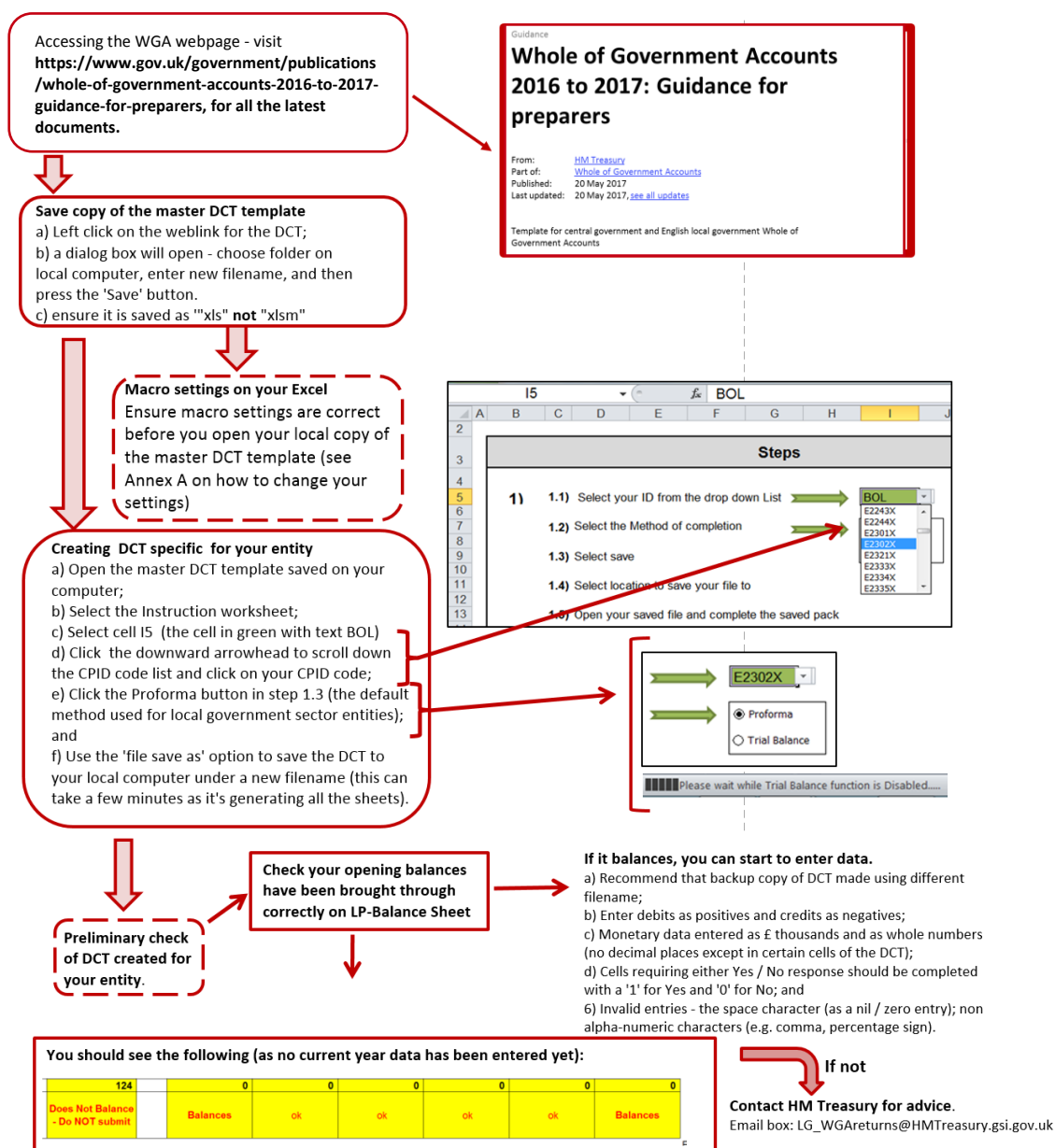
Getting started on your DCT

3

3.1 WGA documents have been released online by HM Treasury at: <https://www.gov.uk/government/publications/whole-of-government-accounts-2016-to-2017-guidance-for-preparers>. You must download the master DCT from the website to ensure you have the latest version.

3.2 The other WGA documents relevant to local government bodies are (a) Management Review checklist; (b) the 2016-17 Counter-party (CPID) list; (c) List of OSCAR account codes under each match relationship; and (d) the Bridging Tool, if you choose to use it.

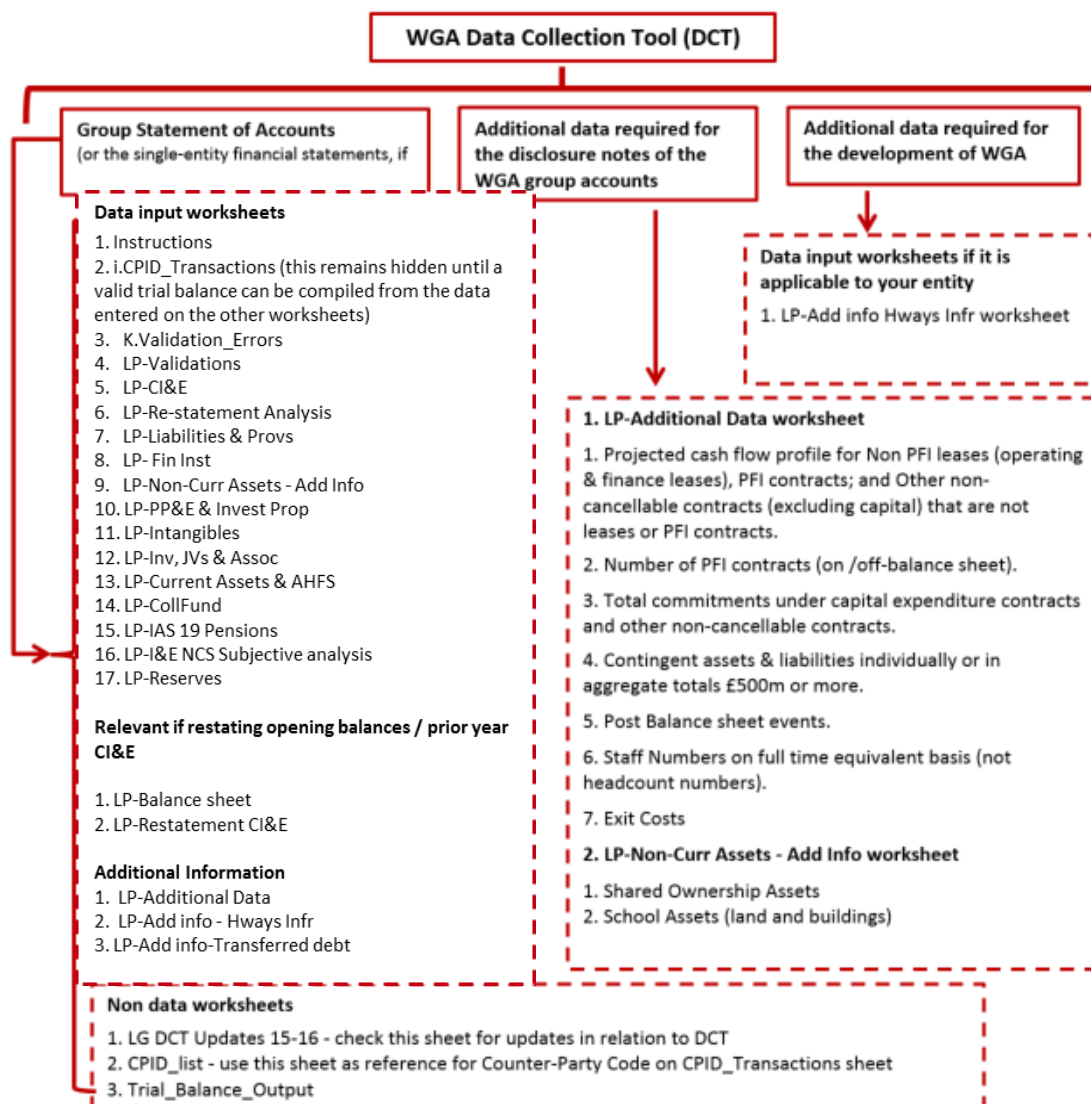
3.3 The master DCT template is for both central and local government entities. The correct version will be created once you enter your unique counter-party (CPID) code as follows:



4.1 Completing the DCT (stage 1)

4.1 The DCT should be completed using the figures from the Group Statement of Accounts (if they are prepared) or from the single-entity Statement of Accounts (if group accounts are not prepared).

4.2 The DCT is comprised of (a) template worksheets that broadly replicate the format of local authority statutory accounts, and (b) additional information worksheets to capture other details required for the production of the consolidated WGA accounts. The diagram below lists the worksheets in the DCT for a local government entity.



Completing the worksheets

4.3 Data entry in the DCT is a two-step process.

- First, populate the template worksheets so that a trial balance can be compiled. The trial balance figures will be analysed using the HM Treasury Standard Chart of Accounts (SCOA) codes.
- Once this data has been validated and a CPID input sheet has been created in stage 4, the second step is to enter the balances and transaction data with another WGA entity on the i.CPID_Transactions worksheet. This counter-party data is then used to calculate the consolidation adjustments needed by HM Treasury in the consolidated WGA accounts.

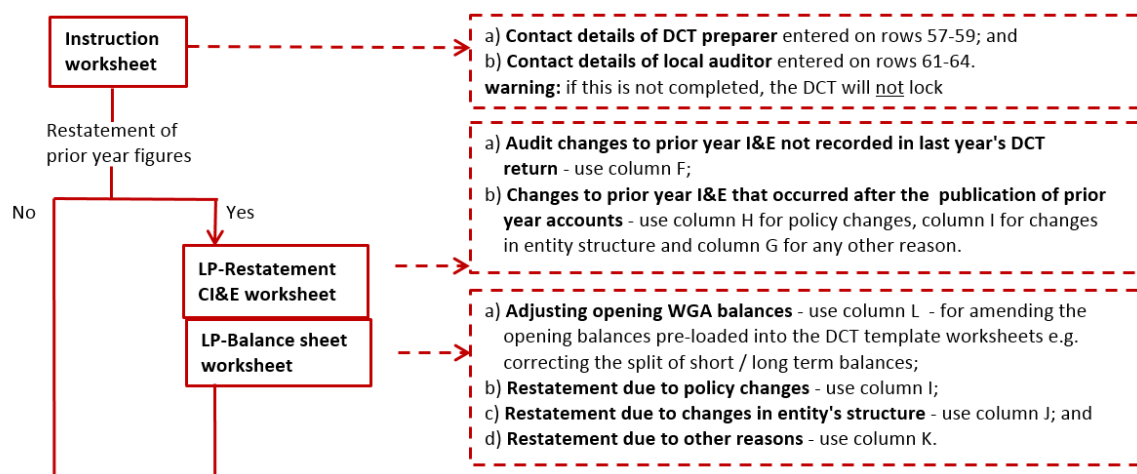
4.4 Unless specified otherwise, the DCT preparer is required to adhere to the following convention when entering data in the DCT:

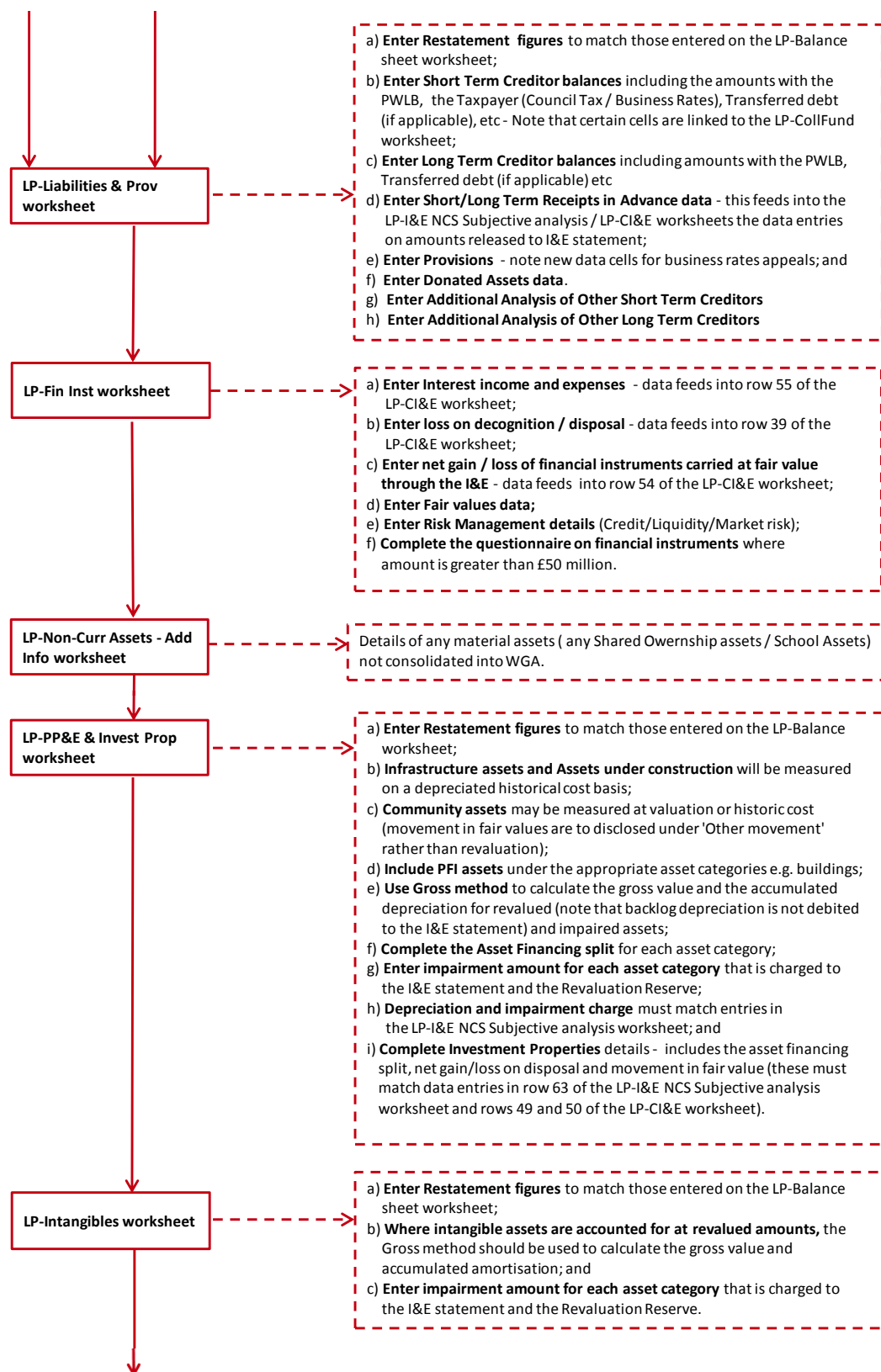
- amounts to be in £ thousands e.g. enter £5,000.00 as 5
- only enter whole numbers i.e. no decimal places
- no special characters to be used i.e. £, %, commas etc
- use capitals when entering counterparty (CPID) codes e.g. enter COM085, but do not enter Com085 or com085
- input in white/blue cells only

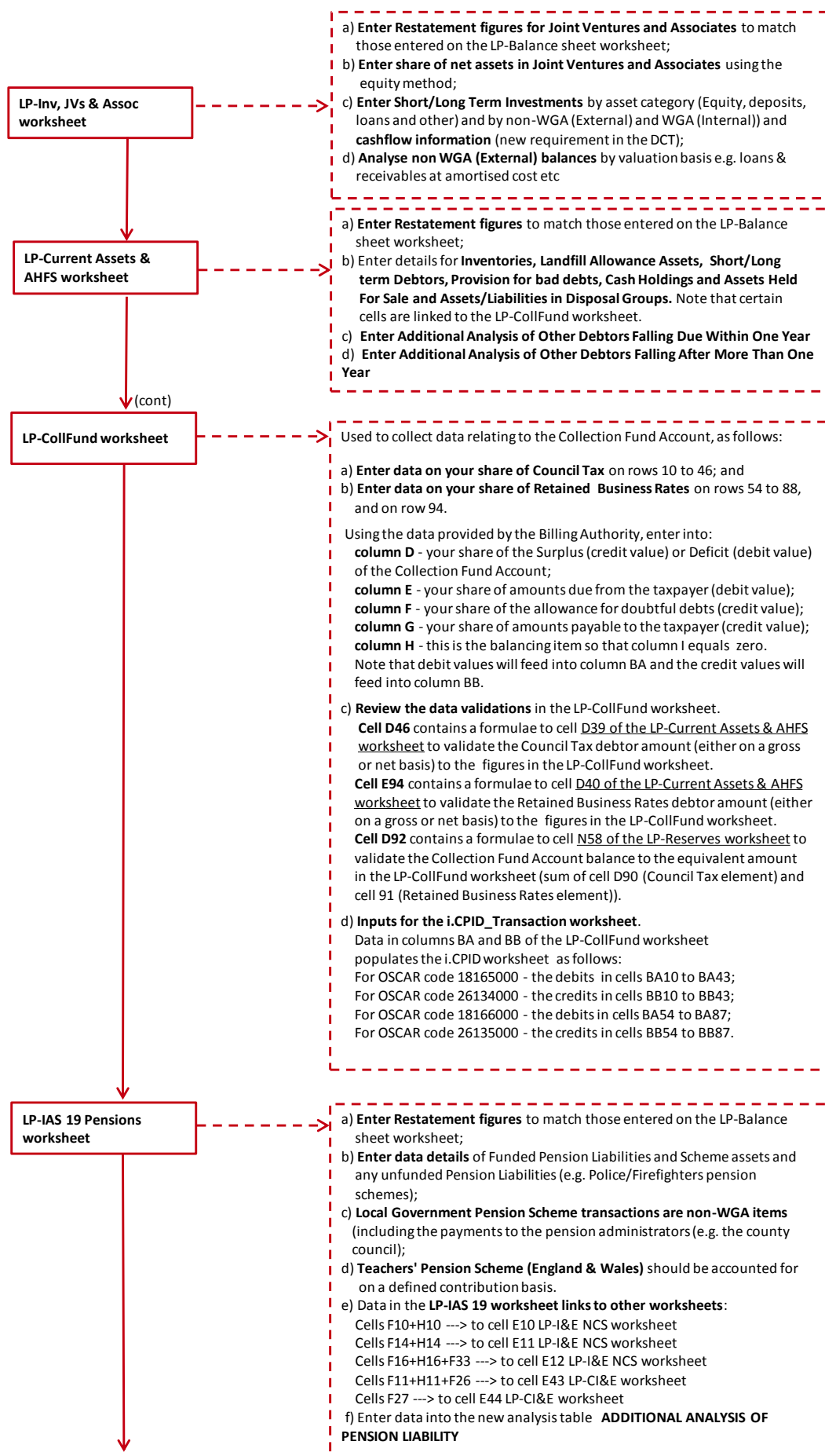
4.5 Please use the comments boxes provided on each sheet. Where a number is made up of several figures or a balance was not agreed with another entity, please explain in comments boxes. HM Treasury uses these comments boxes to determine adjustments. If figures are explained, it will also reduce the need for HM Treasury to contact you during the preparation of the WGA.

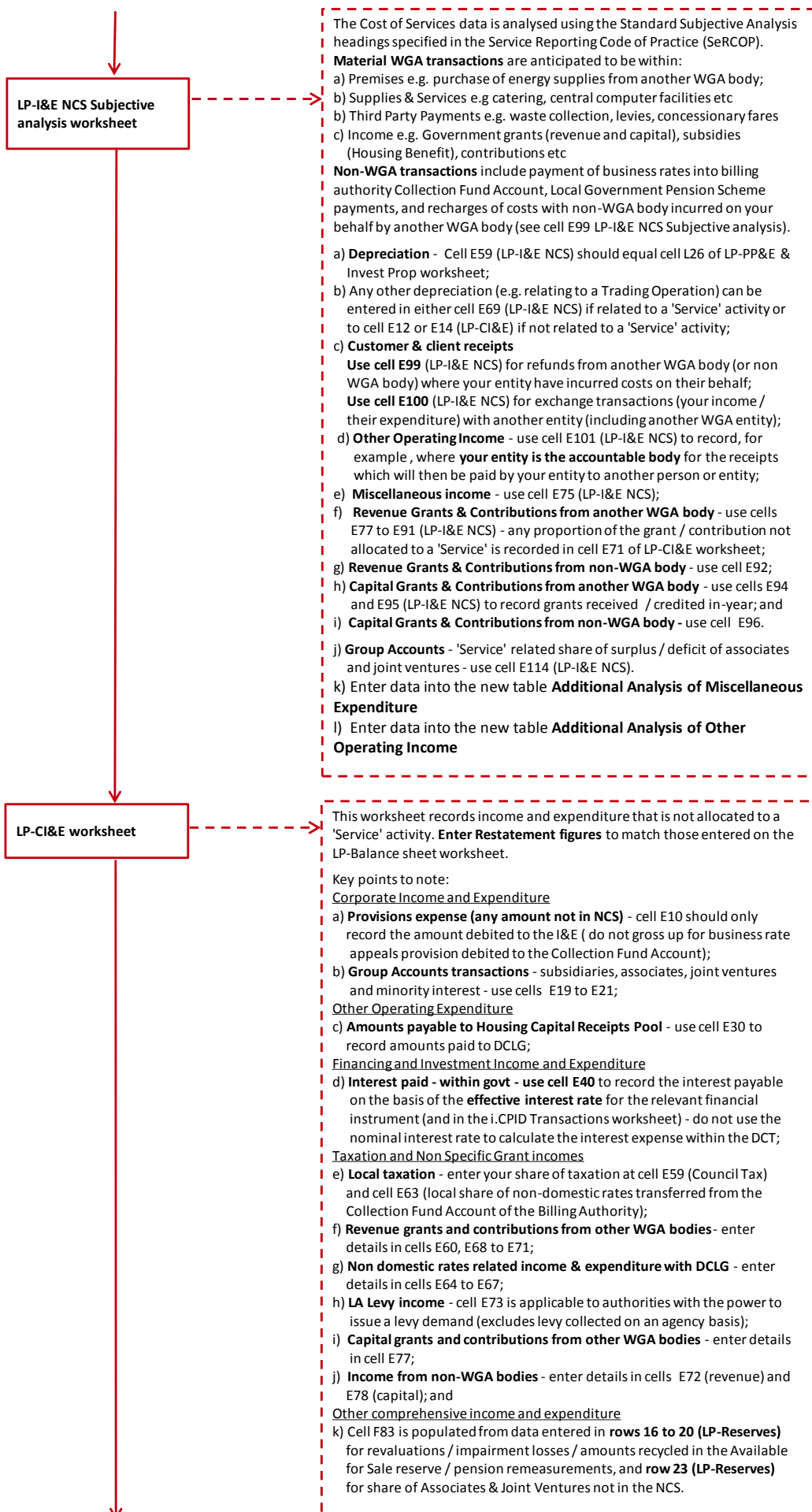
4.6 Whilst the DCT worksheets (excluding the i.CPID_Transactions worksheet) can be completed in any order, it is recommended to complete the sheets from left to right (LP-Liabilities & Provs to LP-Add info – Transferred debt). If you have restatements, start on the LP-Restatement CI&E sheet. See diagram below.

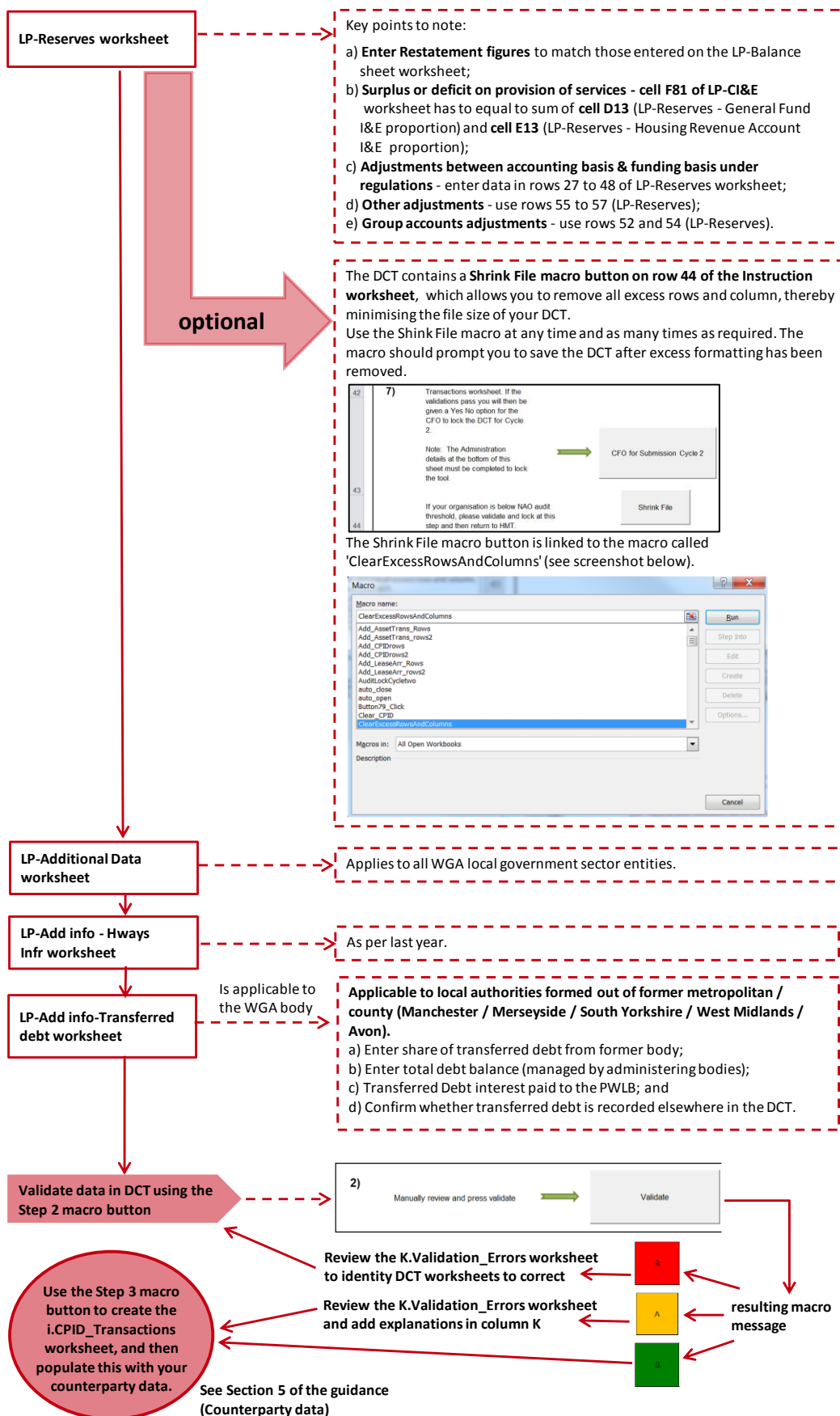
4.7 Please be aware that for the devolved administrations, less information may be required. Please contact your relevant government (Scottish, Welsh, Northern Irish) for information.











5 Completing the DCT (stage 2: Counter-party Data)

Introduction

5.1 Once the DCT has been validated at Step 2, the next step is to create the CPID input sheet in Step 3 (i.CPID_Transactions) and record the counter-party data with other WGA bodies. This data is used by HM Treasury to calculate the elimination adjustments on consolidation to produce the WGA consolidated statements.

Entering the counter-party data

5.2 Each counter-party data item will comprise of three elements which are recorded together on the same row within the i.CPID_Transaction worksheet as follows:

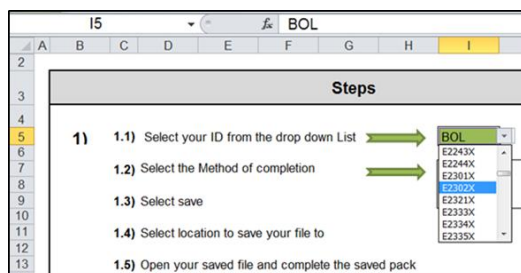
- Your WGA counter-party (CPID) code

Enter your WGA CPID code on each row of column K where counter-party data has been entered (the name of your entity will then appear in column L).

Do not add your CPID code to rows having no counter-party data as this will prevent the locking of your DCT.

	C	D	E	J	K
		Account Code	Account Description	Trial Balance Account Balance £	Instigating Entity Code
12					

Your WGA CPID is the code selected in cell I5 of the DCT Instruction worksheet.



- Your counter-party amount with the other WGA body

Amounts are entered to the nearest whole £ thousands in column O against the appropriate Account code.

	C	D	E	J	O	P	Q	R
11		Account Code	Account Description	Trial Balance Account Balance £	CPID Amount £000s	Total CPID	2	Status
12								
13		44110100	INC - CURRENT GRANTS FROM CG - NNDR	0		0	Save	G
14		44110100	INC - CURRENT GRANTS FROM CG - NNDR				Save	G
15		44110100	INC - CURRENT GRANTS FROM CG - NNDR				Save	G

Each Account code has been allocated three rows, but additional rows can be added by using the 'Add CPID Rows' macro button at the top of the i.CPID_Transactions worksheet (or deleted by marking the row as 'Delete' in the 'Update Actions' column and using the 'Delete Selected Rows' macro button). Please see instructions at top of the page.

Column P gives the total of your counter-party data for each Account code and this amount cannot exceed the amount in column J.

Where the 'Status' warning in column R appears Red then the counter-party data has to be corrected, or if the warning is Amber then an explanation has to be entered in column U.

- **The CPID code of the other WGA entity**

A list of the WGA entities and their CPID codes can be found on the CPID_List worksheet of the DCT. The counter-party CPID code has to be entered in column M each counter-party amount (the name of the counter-party will then appear in column N).

	C	D	E	J	M	N
11						
12		Account Code	Account Description	Trial Balance Account Balance £	Counter Party Code	Counter Party Description

Do not add the counter-party CPID code to rows having no counter-party data as this will prevent the locking of your DCT.

If you have several counter-party amounts against the same counter-party CPID code and the same Account code, then please aggregate the counter-party amounts and enter this amount on a single data line against the Account code.

Other matters to consider

5.3 The table below sets out topics affecting your counter-party data.

Using the correct CPID codes	<p>Academies – use CPID code CAD022 (do not use Department of Education’s CPID code DFE022);</p> <p>Scottish FE Colleges: Scottish FE Colleges now have individual CPIDs rather than being consolidated into one: please refer to the 16/17 CPID list for the new CPID codes</p> <p>HM Revenue and Customs – use CPID code IRT813 for transactions related to taxes and duties (use HMR041 for other transaction types);</p> <p>PWLB loan borrowings – use CPID code PWL888 (do not use NLF888);</p> <p>Debt Management Account Deposit Facility (DMADF) – lending to HM Government via Treasury bills and UK Government sterling denominated listed bonds (gilt-edged securities or gilts) – use CPID code DMA888.</p> <p>GOV website (WGA webpage for 2016-17) – https://www.gov.uk/government/publications/whole-of-government-accounts-2016-to-2017-guidance-for-preparers</p>
Useful web links	<p>Structure of NHS bodies – see page 8 of the pdf leaflet - http://www.england.nhs.uk/wp-content/uploads/2014/06/simple-nhs-guide.pdf</p>
Threshold limit for counter-party data	<p>HM Treasury has removed the £1 million threshold for counter-party disclosure requirement to allow authorities to disclose transactions below this level if a more appropriate materiality threshold at local level can be applied and if your systems and processes allow you to extract this level of information.</p> <p>The intention is that this should not result in additional labour-intensive analyses.</p> <p>If you have the information, please put it in the DCT as this greatly reduces HM Treasury’s un-eliminated error.</p>

Government grants and contributions	<p>Revenue and capital government grants and contributions received and recognised in the I&E statement should be analysed fully and allocated to the CPID code of the grantor.</p> <p>Revenue and capital grants and contributions that are received during the financial year, but are credited to the Receipts in Advance should also be fully analysed and allocated to the CPID code of the grantor.</p> <p>Grants and contributions received in prior years and released to the I&E statement of the current reporting year should not be allocated to a CPID code.</p>
-------------------------------------	---

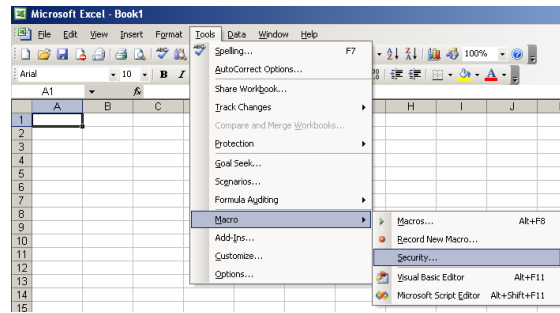
Collection Fund	<p>LP-Coll Fund worksheet</p> <p>This worksheet is used to record the breakdown of the Collection Fund Adjustment Account balance as at 31 March 2016. The worksheet is divided into two sections – the top section is for Council Tax and the bottom section is for Business Rates.</p> <p>The WGA preparer will use the list box to select the name of their WGA body. This will then modify the worksheet to show the names of relevant WGA bodies as follows:</p> <p>a) Where the WGA preparer is a Billing Authority – the Council Tax section will disclose the name of the Billing Authority and its Major Preceptors (County Council, Fire Authority and PCC); and the Business Rates section will disclose the name of the Billing Authority and its Major Preceptors (County Council and Fire Authority) and Central Government.</p> <p>b) Where the WGA preparer is a County Council or Fire Authority – the Council Tax section will disclose the names of each Billing Authority; and the Business Rates section will do likewise.</p> <p>c) Where the WGA preparer is a PCC – the Council Tax section will disclose the name of each Billing Authority, but the Business rates section will only show the message 'XXX – leave row blank'.</p> <p>d) Where the WGA preparer is a body that does not receive Council Tax or Business Rates then the Council Tax and the Business Rates section will only show the message 'XXX – leave row blank'.</p> <p>Data is required on rows which do not have the message 'XXX – leave row blank'.</p> <p>Data required is the share allocated to the relevant WGA bodies for Debtor balances with the Taxpayer, Provision for doubtful debts, Creditor balances with the Taxpayer, Surplus / Deficit balance of the Collection Fund Account, the balancing item representing cash due to or due from the WGA body (for Business Rates this will also include Central Government) and in the case of Business Rates the Provision for Appeals.</p>
-----------------	---

A Changing the macro settings in Excel

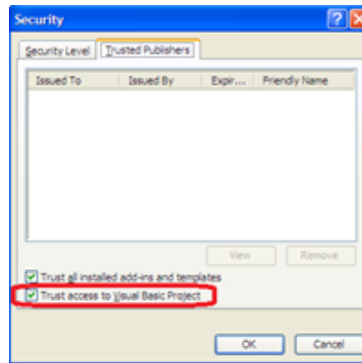
A.1 This annex explains how you can change the macro parameters for each version of Excel before using the DCT.

Excel 2003

Open the security dialog box using the Tools menu and select the Macro option followed by the Security option.

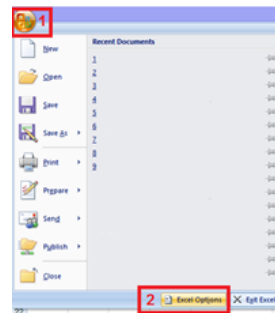


In the Security dialog box, select the Trusted Publishers tab, and tick the 'Trust Access to Visual Basic' box before closing the dialog box by clicking the 'OK' button

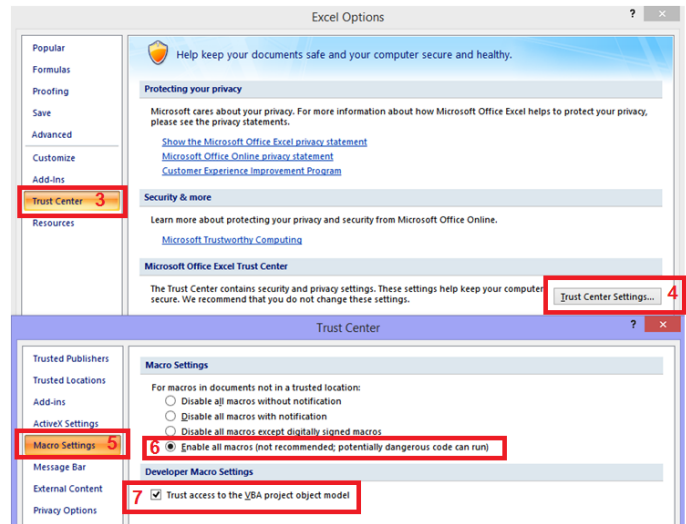


Excel 2007

Select the Microsoft Office button (1) to open the Excel Options menu (2).

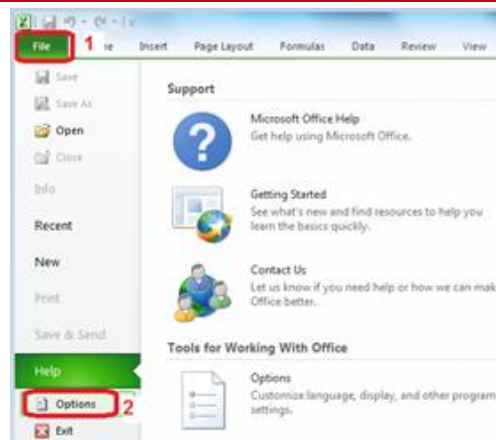


Select the Trust Center dialog box (3), followed by the Trust Center Settings (4) then the Macro Settings option (5). Choose the 'Enable all macros' (6) and also the 'Trust access to the VBA project object model' checkbox (7) before selecting the 'OK' button.

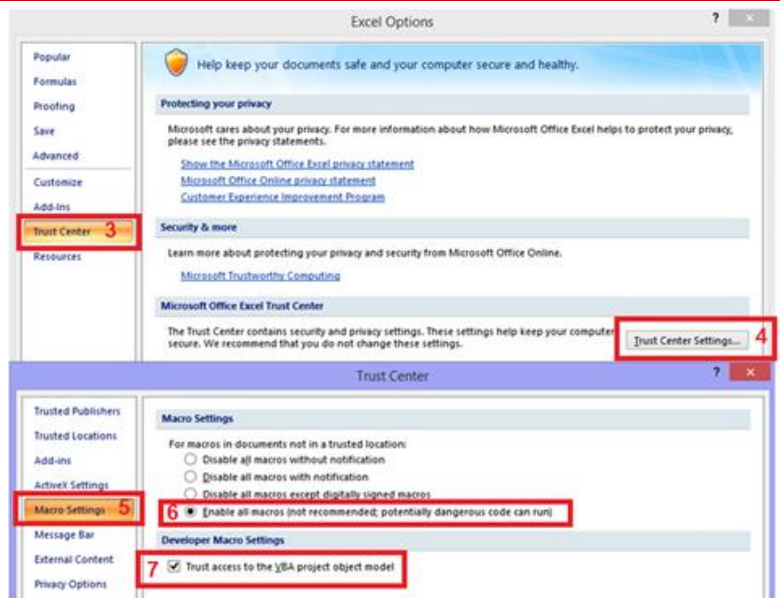


Excel 2010

Select the File tab (1) followed by Options (2).

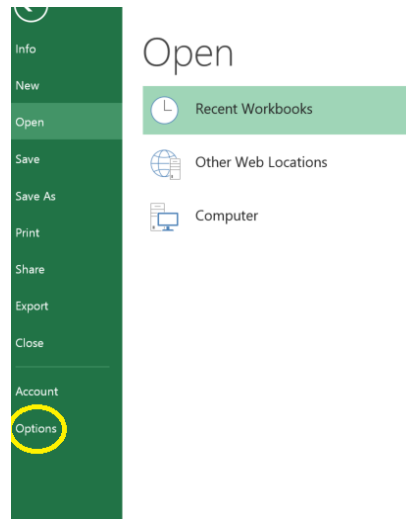


Then choose the Trust Center option (3), followed by the Trust Center Settings button (4) followed by the Macro settings option (5). Tick the 'Trust access to the VBA project object model' box (6) and close clicking the 'OK' button (7).

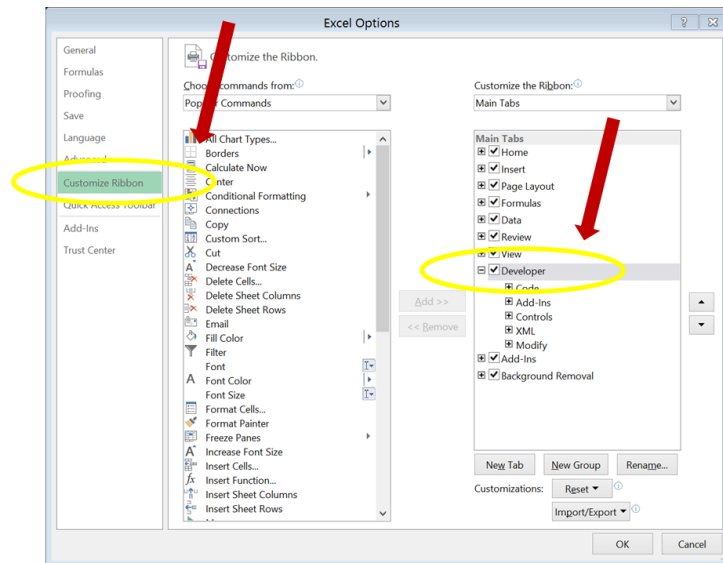


Excel 2013

Select 'File' Tab, followed by Options

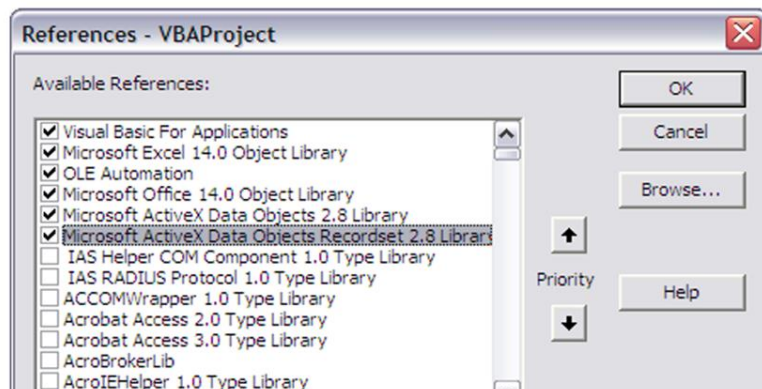
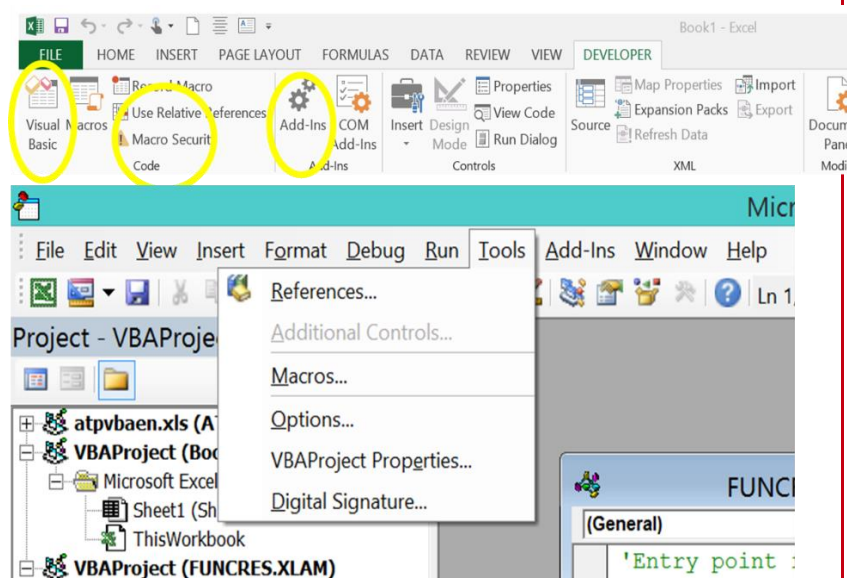


Select 'Customized Ribbon' and ensure Developer is highlighted so it creates the Developer tab

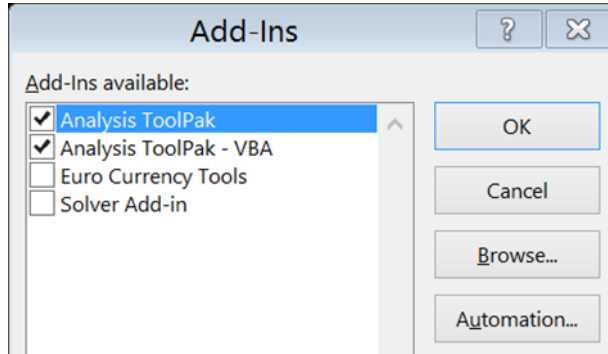


Open the 'Developer' tab.
Under visual basics, go to tools
→ references. Ensure the
following libraries are
activated:

1. Visual Basic for Applications
2. Microsoft Excel 14.0 Object Library
3. OLE Automation
4. Microsoft Office 14.0 Object Library
5. Microsoft ActiveX Data Objects 2.8 Library
6. Microsoft ActiveX Data Objects Recordset 2.8 Library



In the Developer tab, under
Add-ins, select Analysis
ToolPak and Analysis ToolPak -
VBA



Finally, under options, go to
Trust Centre, and then macro
settings. You must enable
Trust access to the VBA project
object Model

