

**MINUTES OF THE FEBRUARY PART I FINANCE, AUDIT & PERSONNEL
MEETING OF BIRCHWOOD TOWN COUNCIL,
HELD ONLINE, ON TUESDAY 23RD FEBRUARY 2021, 6PM**

Present: Councillor Reeves in the Chair
Councillors Atkin, Evans, D. Ellis, J. Ellis and Fitzsimmons

Clerk – Mrs. F. McDonald
Deputy Clerk – Mrs C. Caddock
Business and Finance Officer - Mr. G. Crowe

Apologies: Councillors M. Hearldon (dispensation) and T. Hearldon

314/20-21 **FEBRUARY 2021 PART I FINANCE, AUDIT & PERSONNEL MEETING MINUTES**

Councillor Fitzsimmons proposed, Councillor D. Ellis seconded, and it was resolved that: The Minutes of the Part I Finance, Audit & Personnel Meeting that was held on Tuesday 26th January 2021 be approved as an accurate record and signed by the Chair.

Code of Conduct – Declaration of Interests

The Chair reminded members of their responsibility to declare any personal or prejudicial interest which they have in any item of business on the agenda, no later than when the item is reached.

*Councillors D. Ellis and J. Ellis – Birchwood Youth & Community Centre Committee
Councillors Atkin, D. Ellis and Reeves – Birchwood Carnival Committee*

315/20-21 **PAYMENT OF ACCOUNTS**

Members were asked to consider and approve the payment of accounts schedule – (see pages 222 and 223 below).

Councillor Fitzsimmons **proposed** the Payment of Accounts be approved; Councillor Atkin **seconded** the proposal. This was **resolved** by those Members present.

PROGRESS REPORTS ON CURRENT FINANCE, AUDIT & PERSONNEL ITEMS

316/20-21 **BIRCHWOOD YOUTH AND COMMUNITY CENTRE (BYCC) – OWNERSHIP DISCUSSIONS**

The BAFO reported that he has sent the solicitor an email, confirming that the Town Council wants work on a new lease to cease, but would like the solicitor to consider how the ownership of the land / building can be formally changed to BYCC, to own the land / property on behalf of the Birchwood community. He added that he has not yet received a response, and that he will chase for a reply.

Councillor D. Ellis, in his role as Chair of the Trustees of BYCC, asked whether BYCC will require a solicitor to look over any agreement.

The BAFO said that we are looking to receiving advice from BTC's solicitor as to how an agreement would work.

Action BAFO to chase the solicitor for a response.

- (a) The BAFO stated that the project is nearing completion. There is still some snagging work to be done.

The Clerk reported that the scaffolding has now been taken down.

The internal decorating work in the office building will be completed later in the year. There is some remedial damp work to be completed in the building before the internal decorating can be completed by Trinity.

The remedial damp work is being undertaken by the firm that first worked on it, several years ago. Some is being undertaken under warranty. This work will be carried out (Covid regulations allowing) during the week commencing 12th April 2021.

- (b) The BAFO asked Members to note the receipt of the second (of three) interim payment invoices from Cube, for project management of the external works at Parkers Farm (£1,250 +VAT).
- (c) The BAFO informed Members that the second part payment invoice from Trinity (£14,887.97 + £2,977.59 VAT) and the third part payment (£14,552.51 + £2,910.50 VAT) have been paid.
- (d) The BAFO reported that, as agreed at the January 2021 meeting (minute 287/20-21 (b)) after speaking to several valuation companies, and receiving a recommendation from a 'resale' valuer that we have worked with previously, the BAFO obtained a quote of (£1,500 +VAT) from a local, specialist valuer, to undertake a rebuild valuation of the Parkers Farm complex. This has been requested by our insurance company.

The BAFO asked Members if they are happy to accept this quotation and for the valuation to be undertaken.

Members **resolved** that they are happy to accept this quotation.

Action Clerk's office to arrange for the valuer to visit Parkers Farm to undertake a rebuild valuation of the buildings and site.

- (e) To note that a digital copy of the Title Register and Title Deeds for Parkers Farm has been obtained from the Land Registry (at a cost of £6.00) which a valuer will require.
- (f) To note that a quote for the cost of a replacement chimney pot has been received - £380.72 +VAT (inc shipping). The cost of installation, in addition, is £256.00 +VAT.

The rear chimney pot, on the left of the office building, is damaged; however, the chimneys are not operational. The damage can be seen from the side and rear of the property, not from the front.

The Clerk stated that on additional inspection, both chimney pots on this side of the property are damaged.

Members discussed whether they wanted the pot(s) to be replaced.

It was **resolved** that, as the chimneys are not operational, that any replacement(s) would only be for aesthetic purposes, and as the damage cannot be seen from the front of the building, that it would not be financially prudent to spend such a large amount at this point in time.

The BAFO agreed that it is not a necessity, and said the decision could be reviewed at a later date, if a future Council wished.

Action Clerk's office to contact Cube regarding the above decision.

- (g) Received – Parkers Farm Roof and Associated Works Report – 25/01/2021, and Works Report 18/02/2021.
- (h) The BAFO reported that (as the internal auditor has suggested, as a new procedure for major works being contracted by the Town Council) the VAT number for the contractor, Croughan Ltd, T/A Trinity Renovations, working on the Parkers Farm repair project, has now been formally checked and confirmed as genuine. (See Minute 321/20-21 below.)

318/20-21 **BTC VEHICLES**

- (a) To note that our tipper van, NH57 CZV, failed its recent MOT. The Chair, Vice Chair and Leader of the Council were contacted for approval for the work to be undertaken to enable it to be repaired and pass its repeat MOT. The service and first MOT cost was £379.47 +VAT. The estimate for the repairs was £1,321.54 +VAT. We have asked for one invoice to be issued, once all the work is completed.

As the repairs were necessary to get the van, one of our main 'work horses', back on the road, approval was received, and the garage was given the 'go-ahead' for the work to be undertaken.

- (b) To consider potential options to replace ND09 VNL prior to its next MOT due in October.

The Chair suggested that, whilst ideally the Town Council wishes to move towards a fleet of electric vehicles, at the present time suitable options are not available. He added that it might be better to consider replacing it with another second-hand vehicle in the short to medium term.

Members were asked for their thoughts regarding a future vehicle replacement programme.

The Chair stated that the Council obviously has the desire to move towards changing to electric vehicles, but it needs to be justifiable.

Councillor Atkin suggested that it would be useful to compare how much it costs to run a diesel vehicle over a year, and compare this to how much a 'new' electric vehicle would cost to run.

The Clerk stated that this is something that Officers had already discussed looking into.

Action Clerk's office to investigate the running / maintenance costs for our current vehicles.

319/20-21 **PRECEPT NOTIFICATION**

To note that information re: the Town Council's portion of the Council Tax has been sent to the Warrington Guardian for publication; as noted in the December 2020 Budget and Precept Meeting minutes (261/20-21 (vii)).

320/20-21 **MEMORIAL PROPOSAL**

It has been confirmed that the memorial bench for Councillor Pauline Nelson, within Birchwood Forest Park, had already been purchased and installed, prior to the consideration of the grant application at our January 2021 meeting.

As this was, therefore, a retrospective application, for which the funds had already been found, it would be against BTC's terms and conditions of awarding a grant, to put any funding towards the bench.

Members still wish to contribute to remembering Pauline with a permanent memorial somehow, and will continue to consider suitable options going forward.

321/20-21 **2020/2021 INTERIM INTERNAL AUDIT**

The BAFO stated that the report from our internal auditor regarding our interim audit has been received; see pages 224 to 227 below. This audit was undertaken remotely, with the submission of documents via WeTransfer.

The auditor has made two recommendations: firstly, to establish a formal contract register, and, secondly, whilst *'there is good evidence of due diligence assessment of major contractors, this should be further strengthened by ensuring the VAT number of a supplier for a significant contract is formally verified before entering into the contract'*.

Officers have begun working on the above recommendations.

Members noted the report and **resolved** to accept the recommendations of the internal auditor.

322/20-21 **GENERAL ITEMS FOR REPORTING / NOTING**

- (a) To note that a PAT testing quote was obtained from a third company, which was for £50 for the first 50 items and 60p per additional item. For 78 items, this would cost £66.80. This is the best quote we have received, for the same service. The PAT testing has been booked for 8th June 2021, with this company.

We have received copies of their insurance cover, risk assessment and method statement documents.

Councillor D. Ellis asked whether the (approximately) 20 items at BYCC could be tested by the same company, on the same day, possibly as 'additional' items.

Action Clerk's office to ask if the BYCC items can be added to our testing arrangements, with a separate invoice issued to BYCC.

- (b) To note that the Town Council's SAS Protect membership contract has been renewed, as resolved at the January meeting (£1,377 +VAT) for one year.

- (c) To note that the annual Fire and Health & Safety Risk Assessment reviews took place remotely, with Terrain, on 2nd February 2021. An on-site review will take place as soon as ‘lockdown’ conditions allow.

An interim H&S Update Report has been received from Terrain, as well as an updated Health & Safety Policy and Handbook, which has been circulated to all members of staff.

- (d) To note that a response was sent regarding an email received re: Be a Good Egg for NHS campaign.
- (e) To note that following on from the Clerk sending an IT and Data Sharing Information document to our GDPR consultant for information, he has advised that the ICO has issued a statement re: GDPR post-Brexit.

NEW FINANCE, AUDIT AND PERSONNEL ITEMS

323/20-21 **BANK ACCOUNT RECONCILIATION**

To receive the Town Council’s Income and Expenditure Statements and Bank Reconciliation Schedules for the account periods 1st April 2020 – 31st January 2021.

The payroll figure was £12,878.97 for December 2020, and £12,887.24 for January 2021.

After consideration and approval by Members the schedules will be signed by the Clerk or BAFO, and the Chair, as soon as is practicable.

Councillor Evans **proposed**, Councillor D. Ellis **seconded** and Members **unanimously resolved** to approve the bank reconciliations.

324/20-21 **KEY HOLDING SERVICES**

To note that the contract for our keyholding services has been renewed with Uniqwin. The annual charge is the same as last year (£375.95). Officers are happy with their services.

325/20-21 **PENSION ITEMS**

- (a) To note that the Pension Consultative Forum Meeting took place on 5th February 2021. BTC did not ‘attend’ this meeting, as the agenda was a review of the Fund’s administration strategy, which was discussed in detail at a previous meeting, attended by the BAFO. The document is available for Members to view in the office.
- (b) To note receipt of information regarding the £95k restriction on exit payments. This does not affect the Town Council.

326/20-21 **BIRCHWOOD CARNIVAL**

Councillor Atkin reported that, as the current Chair of the Carnival Committee, he has tried to contact all the members of the committee regarding the 2021 Carnival.

There is a consensus from the committee that, due to Covid regulations, especially as all the ‘road out of lockdown’ dates are still provisional and reliant on the scientific data being reviewed regularly, that there is too much uncertainty and too many ‘unknowns’ for the Carnival to go ahead. Therefore, the committee agrees that the 2021 Birchwood Carnival should not go ahead, at least not in its usual format.

Councillor Atkin said that Angus Lord (WBC) agrees that the carnival cannot go ahead in the usual way. However, Angus has suggested that he might like to explore the possibility of holding smaller 'events' later in the summer – possibly to tie in with times that the café at the Forest Park is open (Covid regulations allowing).

Councillor Atkin said that there needs to be a review of options for acts that had already been booked, some with deposits paid, for the 2020 carnival, which was cancelled due to the first lockdown. It is currently unknown if all of the acts are still operating.

Action To contact Angus again to clarify WBC's proposals re: the potential for smaller 'events' to take place later in the year.

Action To contact previously booked acts to ascertain their availability / situation.

327/20-21 WILDFLOWERS

The Clerk asked Members, if WBC are undertaking the sowing of wildflower meadows this year, do they have a view as to whether they would wish to have some in Birchwood for the 2021 season?

The Clerk suggested that she could ask if costs could be kept the same as the 2019 season (we did not have any in 2020 due to the Coronavirus pandemic).

Members **resolved** in principle that, depending on the costs, they would like to have wildflowers sown in Birchwood this year.

Action Clerk's office to contact WBC regarding wildflowers for 2021.

328/20-21 STAFF TRAINING

The Clerk informed Members that refresher training is being arranged to be undertaken in the near future: hedgecutting for 6 members of maintenance team, and pole pruning for 4 members of the team (the maximum number allowed on each course) at a cost of £1,400 +VAT.

329/20-21 GENERAL ITEMS FOR REPORTING / NOTING

- (a) To note that The Ministry of Housing, Communities and Local Government (MHCLG) has notified the National Association of Local Councils (NALC) that the appropriate sum for the purpose of section 137(4)(a) of the Local Government Act 1972 (the 1972 Act) for Parish and Town councils in England for 2021-22 is £8.41 per elector.
- (b) Received – SAS Protect Newsletter – February 2021.
- (c) Received – Intruder alarm servicing worksheet report for the annual service undertaken on 1st February 2021. There were no issues to report.

Also received were the reports from the recent 6-monthly servicing of our fire extinguishers, fire blankets, fire alarm system, and emergency lighting system. During the servicing, 1 x 2kg fire extinguisher was exchanged and commissioned, and 4 x fire blankets were exchanged. Total cost (including the servicing) £420 +VAT.

- (d) To note that the Clerk has registered to attend an HMRC webinar on 26th February 2021 ‘Coronavirus (COVID-19) Statutory Sick Pay Rebate Scheme’.
- (e) To report that we have received the invoice from our insurance company (£5,277.25 plus £633.28 Insurance Premium Tax) for 2021/2022. We are currently in a long-term agreement with them. This is to be paid on 1st April 2021, for the new financial year.
- (f) To report that the next payment to the Public Works Loan Board (PWLB) paid by direct debit, is due on 10th March 2021, in the amount of £10,660.00.
- (g) To note that we have received a credit note from Matco in the amount of £55.61 (inc. VAT) for mat cleaning services that could not be undertaken due to lockdown. The charge to cover October to March is now £177.73. There may be additional credit to be applied to the next invoice if we cannot receive the service in March.
- (h) Received – as a follow-up from the recent Parish Liaison meeting - some details regarding election costs in a combined election. These were circulated to Members.

The Parish election charges for the ‘all-out’ May 2016 total was £5,464.05. The costs to the Town Council will depend on whether all seats are contested, the effect of inflation, and potential additional costs at Polling Stations re: Covid-19 security e.g. extra cleaning.

As the Clerk previously mentioned earlier in the meeting (see Minute 302/20-21 of the main meeting) it has been confirmed that the elections will be going ahead, nationwide.

- (i) Received – Employer Bulletin – February 2021.
- (j) The BAFO asked Members to consider the draft ‘Appendix C – Annual Risk Assessment Review (Financial and Operational Processes) circulated to them. This will form part of the formal end of year documentation.

Members were asked if they had any comments to make regarding the document. If no comments are received between meetings, the document will be formally approved at the March 2021 meeting.
- (k) To note that we have received our latest ‘Anti-virus Health Report’, ‘Computer Health Standards’ and ‘Performance Review’ from Yellowbus (5th February 2021), relating to our two office pcs and the laptop. There is nothing of concern to report.
- (l) To note that all staff have received a revised copy of the Town Council’s ‘Working During the Covid 19 Pandemic – Risk Assessment January 2021’. They will sign individual sheets to acknowledge they have read and understand the document.
- (m) To note that the Clerk has contacted the shopping centre to enquire whether they will require hanging baskets to be organised and maintained by BTC this year (for which BTC is paid). We are awaiting a reply.

This part of the meeting concluded at 8.00pm

Payment of Accounts:						
Resolved: that the following payments be approved as the residual December 2020 and part of the January 2021 accounts						
Date	Ref	Payee	Description	Net	VAT	Gross
11.12.2020	*	Infotone	Brother printer drum unit	£ 40.90	£ 8.18	£ 49.08
11.12.2020	*	Aqua Solutions	Annual gas service installation inspection and boiler service	£ 75.00		£ 75.00
11.12.2020	*	Arco	3 x safety helmets and pair safety boots (SJ)	£ 87.99	£ 17.60	£ 105.59
11.12.2020	*	ESI	Annual maintenance of intruder alarm and annual remote monitoring of intruder alarm system 1/1/2021 - 31/12/2021	£ -	£ 32.40	£ 194.40
11.12.2020	*	Elite Industrial Supplies Ltd	Workwear and PPE	£ 162.69	£ 32.54	£ 195.23
11.12.2020	*	CJ Auto Service	HK64 NNM - replace gearbox, clutch & flywheel plus the towing charge to the garage	£ 1,731.04	£ 346.21	£ 2,077.25
14.12.2020	DD	Waterplus	Water/wastewater services (4083867607)	£ 87.07		£ 87.07
15.12.2020	DD	Financial Direct Fees	FD online charges	£ 41.20		£ 41.20
16.12.2020	DD	Yellowbus Solutions	IT support/backups/internet services - inc. for laptop (4 x inv.)	£ 134.70	£ 26.94	£ 161.64
16.12.2020	DD	Allstar	Fuel (office vans, and equipment)	£ 241.11	£ 48.22	£ 289.33
16.12.2020	*	Cube Property Services Ltd	Interim fee 1 - project management Parkers Farm works	£ 1,500.00	£ 300.00	£ 1,800.00
16.12.2020	*	HMRC	Re:Nov 2020 Tax £1,399.60 NI £2,082.07	£ 3,481.67		£ 3,481.67
17.12.2020	*	JDH Business Services 2020	Data Protection Services 2020/2021	£ 1,000.00	£ 200.00	£ 1,200.00
17.12.2020	*	Cheshire Pension Fund	Re: Nov. 2020 E'ee £780.95 E'er £2,805.48	£ 3,586.43		£ 3,586.43
17.12.2020	*	Croughan Limited t/a Trinity Re	Interim fee 1 - building works - Parkers Farm	£ 13,946.64	£ 2,789.33	£ 16,735.97
21.12.2020	DD	E-on	Electricity - Locking Stumps multi-use games area	£ 10.74	£ 0.54	£ 11.28
23.12.2020	DD	Allstar	Fuel (office vans, and equipment)	£ 50.25	£ 10.05	£ 60.30
24.12.2020	*	CJ Auto Service	ND09 VNL - renew side door roller bearings & check corrosion	£ 359.30	£ 71.86	£ 431.16
29.12.2020	DD	Telesis	Phone/enhanced internet speed charges	£ 57.46	£ 11.49	£ 68.95
30.12.2020	DD	Allstar	Fuel (office vans, and equipment)	£ 83.13	£ 16.62	£ 99.75
30.12.2020	*	LexisNexis	Arnold Baker - Local Council Administration 12ED.	£ 149.99		£ 149.99
30.12.2020	*	Society of Local Council Clerks	Annual membership fees for the Clerk	£ 262.00		£ 262.00
31.12.2020	DD	Copyrite Systems	Photocopier charges	£ 20.03	£ 4.01	£ 24.04
31.12.2020	DD	O2	Ref a/c 04760571 mobile phones	£ 45.92	£ 9.18	£ 55.10
31.12.2020		NPower	Gas - Parkers Farm	£ 428.20	£ 21.41	£ 449.61
04.01.2021	DD	Waterplus	Water and wastewater services (4083868280)	£ 22.83		£ 22.83
04.01.2021	DD	Legal and General	Ill health insurance	£ 162.66		£ 162.66
07.12.2021	*	January wages	Wages total this month (10 staff)	£ 12,887.24		£ 12,887.24
12.01.2021	DD	Waterplus	Water/wastewater services (4083867607)	£ 87.07		£ 87.07
13.01.2021	DD	Allstar	Fuel (office vans, and equipment)	£ 100.33	£ 20.07	£ 120.40
18.01.2021	DD	Yellowbus Solutions	IT support/backups/internet services - inc. for laptop (4 x inv.)	£ 134.70	£ 26.94	£ 161.64
18.01.2021	DD	E-on	Electricity - Locking Stumps multi-use games area	£ 10.43	£ 0.52	£ 10.95
18.01.2021	*	Trinity Renovations	Payment 2 re: Parkers Farm - roof and associated works	£ 14,887.97	£ 2,977.59	£ 17,865.56

Payments of Account since 19th January 2021

Date	Ref	Payee	Description	Net	VAT	Gross
20.01.2021	DD	E-on	Electricity - taken out on wrong date - paid back on 25.01.2021	£ 108.38		£ 108.38
20.01.2021	DD	Allstar	Fuel (office vans, and equipment)	£ 52.44	£ 10.49	£ 62.93
22.01.2021	*	Terrain	H&S Services January to December 2021	£ 1,500.00	£ 300.00	£1,800.00
27.01.2021	DD	Allstar	Fuel (office vans, and equipment)	£ 70.75	£ 14.15	£ 84.90
27.01.2021	*	Croughan Ltd. (t/a Trinity)	Interim fee 2 - building works - Parkers Farm	£ 14,552.51	£ 2,910.50	£ 17,463.01
28.01.2021	*	E-on	Electricity - Parkers Farm	£ 103.22	£ 5.16	£ 108.38
28.01.2021	DD	Telesis (now t/a Firstcom europe)	Phone charges	£ 57.46	£ 11.49	£ 68.95
29.01.2021	DD	Copyrite Systems	Photocopier charges	£ 25.34	£ 5.07	£ 30.41
29.01.2021	*	Arco	PPE - 2 x halfmask respirators	£ 30.36	£ 6.07	£ 36.43
29.01.2021	*	James Todd & Co	Quarterly payroll services	£ 180.00	£ 36.00	£ 216.00
29.01.2021	*	Office Depot (UK) Ltd	White A4 Copier paper - 5 reams	£ 13.85	£ 2.77	£ 16.62
29.01.2021	*	Office Depot (UK) Ltd	Pk 20 AA Batteries	£ 10.95	£ 2.19	£ 13.14
01.02.2021	DD	Waterplus	Water and wastewater services (4083868280)	£ 22.83		£ 22.83
02.02.2021	DD	O2	Ref a/c 04760571 mobile phones	£ 45.62	£ 9.12	£ 54.74
03.02.2021	DD	Allstar	Fuel (office vans, and equipment)	£ 99.36	£ 19.87	£ 119.23
04.02.2021	*	Office Depot	Stationery	£ 19.90	£ 3.98	£ 23.88
04.02.2021	*	SAS Daniels	Annual fee re: SASprotect Service	£ 1,377.00	£ 275.40	£ 1,652.40
08.02.2021	*	February wages	Wages total this month (10 staff)	£ 12,874.07		£ 12,874.07
10.02.2021	DD	BNP Paribas	Photocopier Lease - 10/02/2021 - 09/05/2021	£ 401.60	£ 10.00	£ 411.60
10.02.2021	DD	Allstar	Fuel (office vans, and equipment)	£ 59.98		£ 59.98
12.02.2021	*	Cheshire Association of Local Councils	Training Meetings & Procedures (FMc & CC)	£ 50.00		£ 50.00
12.02.2021	*	Reimburse CC	Petty cash float	£ 25.85	£ 4.15	£ 30.00
12.02.2021	*	Reimburse CC	24 x packs anti-bac wipes	£ 24.51	£ 0.39	£ 24.90
12.02.2021	*	Reimburse CC	Hone Bargains - bleach	£ 2.34		£ 2.34
12.02.2021	*	Reimburse CC	Special delivery - papers to GC	£ 7.65		£ 7.65
12.02.2021	*	Reimburse CC	Land Registry - Title Plan and Title Deeds	£ 6.00		£ 6.00
12.02.2021	*	CJ Auto Service	NH57 CZV - Service, MOT and repairs	£ 2,083.24		£ 2,083.24
12.02.2021	*	Waterplus	Water/wastewater services (4083867607)	£ 87.07		£ 87.07
15.02.2021	DD	Financial Direct Fees	FD online charges	£ 39.80		£ 39.80
16.02.2021	DD	Yellowbus Solutions	IT support, backups, internet services (inc. for laptop) (4 x inv.)	£ 134.70	£ 26.94	£ 161.64
17.02.2021	*	Reimburse CC	Viking - 15 x reams A4 white copier paper	£ 31.35	£ 6.27	£ 37.62
17.02.2021	*	Matco	Mat maintenance (adjusted for services not received due to Covid)	£ 148.11	£ 29.62	£ 177.73

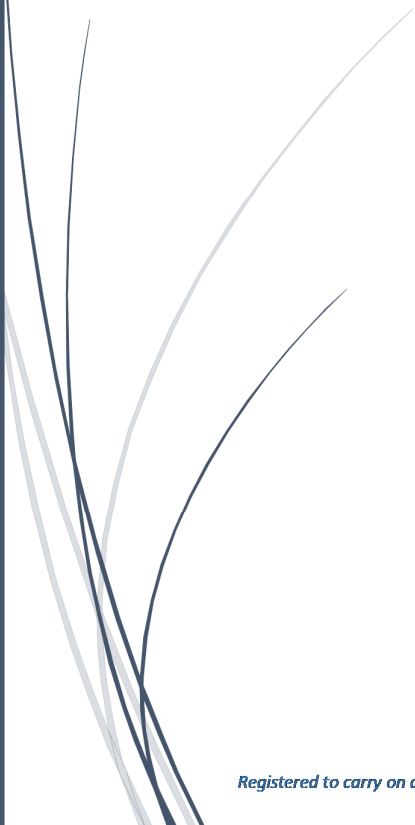
Payments of accounts for approval at the February 2021 meeting

Date	Ref	Payee	Description	Net	VAT	Gross
all tbc	DD	Legal and General	Ill health insurance (February 2021)	£ 162.66		£ 162.66
	DD	Telesis	Phone/enhanced internet speed charges	tbc		
	DD	Waterplus	Water and wastewater services (4083868280)	£ 22.83		£ 22.83
	DD	Waterplus	Water/wastewater services (4083867607)	£ 87.07		£ 87.07
	DD	Financial Direct Fees	FD online charges	tbc		
	DD	Yellowbus Solutions	IT support, backups, internet services (inc. for laptop) (4 x inv.)	£ 134.70	£ 26.94	£ 161.64
	DD	O2	Ref a/c 04760571 mobile phones	£ 45.62	£ 9.12	£ 54.74
	DD	E-on	Electricity - Locking Stumps multi-use games area	£ 10.52	£ 0.53	£ 11.05
	DD	Allstar	Fuel (office vans, mowers and equipment)	£ 52.44	£ 10.49	£ 62.93
	DD	Public Works Loan Board	Loan repayment PWLB 487017	£ 10,660.00		£ 10,660.00
	DD	CopyriteSystems	Photocopying charges	tbc		
	*	HMRC	Re: Jan. 2020 Tax £1,403.20 NI £2,087.23	£ 3,490.43		£ 3,490.43
	*	Cheshire Pension Fund	RE: Jan. 2020 E'ee £782.13 E'er £2,809.82	£ 3,591.95		£ 3,591.95
	*	Warrington Borough Council	Fourth of four (annual) payments for Locking Stumps by-election	£ 1,322.34		£ 1,322.34
	*	Zurich Municipal	Annual insurance renewal (inc. IPT £633.28)	£ 5,910.53		£ 5,910.53
	DD	E-on Next	Gas - Parkers Farm	£ 423.10	£ 93.57	£ 516.67



Internal Audit 2020/21

Interim Report



The internal audit of Birchwood Town Council was carried out by undertaking the following tests as specified in the AGAR Annual Return for Local Councils in England:

- Checking that books of account have been properly kept throughout the year
- Checking a sample of payments to ensure that the Council's financial regulations have been met, payments are supported by invoices, expenditure is approved, and VAT is correctly accounted for
- Reviewing the Council's risk assessment and ensuring that adequate arrangements are in place to manage all identified risks
- Verifying that the annual precept request is the result of a proper budgetary process; that budget progress has been regularly monitored and that the council's reserves are appropriate
- Checking income records to ensure that the correct price has been charged, income has been received, recorded and promptly banked and VAT is correctly accounted for
- Reviewing petty cash records to ensure payments are supported by receipts, expenditure is approved and VAT is correctly accounted for
- Checking that salaries to employees have been paid in accordance with Council approvals and that PAYE and NI requirements have been properly applied
- Checking the accuracy of the asset and investments registers
- Testing the accuracy and timeliness of periodic and year-end bank account reconciliation(s)
- Year end testing on the accuracy and completeness of the financial statements

The interim internal audit provides evidence to support the annual internal audit conclusion on the Annual Return for local councils.

Conclusion

On the basis of the internal audit work carried out, which was limited to the tests indicated above, in our view the council's system of internal controls is in place, adequate for the purpose intended and effective, subject to the recommendations reported in the action plan overleaf. As part of the internal audit work for the next financial year we will follow up all recommendations included in the action plan.

JDH Business Services Limited

	ISSUE	RECOMMENDATION	FOLLOW UP
1	The council is party to a number of contracts with varying lengths and conditions.	<i>The council should establish a contracts register which should be regularly reviewed to identify those contracts where the upcoming end date signifies that a tender or quotation process is required, or whether a decision is needed regarding an extension which is provided for in the contract terms.</i>	
2	Although there is good evidence of due diligence assessment of major contractors, this should be further strengthened by ensuring the VAT number of a supplier for a significant contract is formally verified before entering into the contract.	<i>A VAT fraud prevention check should involve formal verification of the VAT number of a new major supplier before entering into a material contract.</i>	
2019/20 year end internal audit			
1	<p>The risk assessment was reviewed and updated during the financial year. However, it was not approved by full council in the programmed March 2020 meeting as it had to be cancelled due to the global pandemic. The risk assessment was subsequently amended and approved at the May 2020 meeting.</p> <p>We will note on the AGAR annual return certificate that although the risk assessment was not approved by full council in 2019/20, that this was due to the global pandemic, the requirement to cancel physical meetings in March, and that the document was approved at the first available meeting in May 2020.</p>		

2019/20 interim internal audit		
<p>The Financial Regulations (FRs) refer to a Purchase Order (PO) system (which would also clearly evidence the authority to spend). However, no PO system is currently in place.</p>	<p><i>The council should establish a sequential Purchase Order system as required by the updated Financial Regulations (FRs) and ensure Purchase Orders are signed according to the Authority to Spend requirements of the FRs.</i></p>	<p>Implemented</p>
<p>NALC have issued updated model Financial Regulations that include amendments to sections including contracts.</p>	<p><i>The council should review the latest NALC Financial Regulations and incorporate revisions, where they are applicable, to the council Financial Regulations</i></p>	<p>Implemented</p>
2018/19 year end internal audit		
<p>No issues arising – a clear audit trail from receipts and payments to extended trial balance and year end income and expenditure accounts was provided.</p>		
<p>IMPORTANT GUIDANCE NOTE INTERNAL AUDIT CERTIFICATE in the AGAR</p>		
<p>There is a new internal control objective (Objective L) in the 2018/19 internal audit certificate that requires internal auditors to conclude on whether the Public Rights Notice during the previous Summer was compliant with the Regulations. This is pre-filled for 2018/19 but in order to test this and conclude YES or NO for the 2019/20 internal audit we would need to receive with the 2019/20 books and records:</p>		