

**MINUTES OF THE PART I FINANCE, AUDIT & PERSONNEL MEETING OF
BIRCHWOOD TOWN COUNCIL
HELD AT PARKERS FARM, DELENTY DRIVE,
ON TUESDAY 27TH JUNE 2023**

Present: Councillor Dempsey in the Chair
Councillors Allen, Atkin, Ball, Bowden, Brereton, Ellis, Sheridan and Simcock

Clerk – Mrs. F. McDonald
Deputy Clerk/Deputy RFO – Mrs. C. Caddock
Administrative Assistant – Mrs. H. Thomas

PCSO Tom Palfrey

Apologies: Councillors Evans (personal) Scott (away) and Reeves (work)

Code of Conduct – Declaration of Interests

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

099/23-24 **PAYMENT OF ACCOUNTS**

Members were asked to consider and approve the payment of accounts schedule – (see pages 60 and 61 below).

Councillor Atkin **proposed** the payment of accounts be approved; Councillor Bowden **seconded** the proposal. This was **unanimously resolved** by those Members present.

100/23-24 **MAY 2023 PART I FINANCE, AUDIT & PERSONNEL MEETING MINUTES**

Councillor Brereton **proposed**, Councillor Ellis **seconded**, and it was unanimously **resolved** that: the Minutes of the Part I Finance, Audit & Personnel Meeting, held on 23rd May 2023, be approved as an accurate record and signed by the Chair.

PROGRESS REPORT

101/23-24 **LOCKING STUMPS – PLAY AREA**

The RFO stated that the Clerk has chased up the issue of a formal opening of the refurbished Locking Stumps Play Area with Warrington Borough Council. We have still not received a reply.

102/23-24 **SPEED INDICATOR DEVICE**

This was also discussed earlier in the meeting (see Minute 082/23-24 (a)). The RFO reminded Members that PCSO Palfrey has advised that an area that has a site code for Police speed enforcement operations can also have a SID installed near the same location. However, this could raise potential issues for the Police.

PCSO Palfrey said that if, for example, the Police issued a ticket to a driver for speeding, but the driver states that the SID indicated that they were not, then it could cause issues for Police enforcement.

PCSO Palfrey indicated that he would therefore be reluctant to undertake speed enforcement operations near a SID. He added that he could, however, possibly, undertake enforcement operations in the opposite direction from the way in which the SID is oriented.

The RFO stated that locations that Members have previously indicated that they would like SIDs to be installed, i.e. Warrington Road (Risley Village), Locking Stumps Lane, Lords Lane, most of Glover Road, Ordnance Avenue, Admirals Road and between Inglewood Close and Bowland Close in Gorse Covert, all have site codes.

Roads that do not have site codes are Dewhurst Road and Moss Gate – from the traffic lights to the roundabout.

Any sites would have to be approved by Warrington Borough Council.

Members discussed the options. It was suggested that PCSO Palfrey could be asked to undertake speed enforcement on the opposite side of a road to the direction of the SID, and to work with him to decide which side of any location he would prefer to position himself.

Following further discussions, it was **proposed** by Councillor Simcock, **seconded** by Councillor Ellis and **unanimously resolved** that the Council will locate the first two SIDs one on Warrington Road Risley and the other on Admirals Road, between the zebra crossing by Greenfinch Grove and the roundabout just before the shop.

Action Clerk's office to progress this matter in consultation with WBC and PCSO Palfrey.

103/23-24 **MEMORIAL PLAQUE BIRCHWOOD FOREST PARK**

The RFO stated that BTC's Chair, Councillor Dempsey, formally unveiled the memorial during the Birchwood Carnival festivities, that took place on 11th June 2023.

Councillor Ellis wondered whether there could be another formal opening, as there was very little notice that it was going to be opened during the carnival. He believes that there are some people who might have liked to attend the memorial unveiling, as they have relatives with links to the old ordnance factories.

Following discussions, it was agreed that Councillor Ellis would speak to the Forest Park Rangers to ask for their opinions on another formal opening.

Action Councillor Ellis to speak to the Forest Park Rangers to ask their opinion regarding the above.

104/23-24 **BENCHES**

The RFO reported that despite chasing WBC regarding this matter, we have still not received a response from WBC regarding the proposals submitted to them.

The RFO added that we have kept the school updated regarding this lack of progress.

105/23-24 TIPPER PURCHASE

The RFO reported that maintenance team members have recently been to view and test drive four tipper vans. They found one that stood out from the rest in terms of suitable size, condition and (low) mileage (just over 33,000 miles). It is an ex-lease vehicle, and has therefore been very well looked after in terms of servicing and maintenance.

The RFO asked Members for a formal decision regarding tipper van SC19 TYF, which several Members, along with the staff, viewed when it was brought to our offices recently.

The quotation includes a reduction in the cost of the vehicle by £245.00. The total price quoted, including extras (led flashing beacon – being supplied free of charge, side cages, removing rear seats and fitting a bulkhead and ply lining) is £24,655.00 +VAT, plus road tax (£320.00).

The vehicle will also require signwriting.

Although Councillor Scott had been unable to attend the meeting, he had sent some comments to the Chair, one of which was his thoughts on the purchase of the tipper, which he came to see when it was brought to the office – *‘I support the purchase of the tipper as the proposal addresses a known need, appears to be based on thorough research and has been robustly negotiated.’*

The RFO said that we would also ask the garage if the outside of the white side panels and rear panel could be painted as part of the deal, as we would then have a clean finish to add signwriting onto.

Following discussions, Councillor Ellis **proposed** that the tipper be purchased, with the various ‘extras’ included. Councillor Sheridan **seconded** the proposal. This was then **unanimously resolved** by those Members present.

106/23-24 TELEPHONE SYSTEM

The RFO stated that the meeting planned for Monday had to be postponed. It will now take place on Thursday 29th June.

She asked Members to confirm that they were happy for Officers to make the decision whether or not to move to a new telephone system, following the meeting, as if BTC was to do so, our current supplier would have to be notified by 30th June 2023, at the latest.

Members **unanimously resolved** to delegate the decision to Officers.

107/23-24 STORAGE FOR THE NORTH WARRINGTON CAVY CLUB (NWCC)

The RFO asked Members to consider a draft agreement between BTC and NWCC regarding the storage of their items required for putting on events at Birchwood Youth and Community Centre.

Councillor Atkin proposed some amendments to the draft document.

Members **unanimously resolved** that once the amendments have been made, that Officers could send the draft agreement to NWCC for their consideration.

Action RFO to make amendments to the agreement and send to NWCC for their consideration.

108/23-24 GENERAL ITEMS FOR NOTING/REPORTING

To note that the payment to ChALC re: their Affiliation Fee renewal for 2023/2024 (£1,510.87) has been made.

NEW FINANCE, AUDIT AND PERSONNEL ITEMS

109/23-24 BANK ACCOUNT RECONCILIATION

To receive the Town Council's Income and Expenditure Statements and Bank Reconciliation Schedules for the account periods 1st April 2023 – 31st May 2023.

The payroll figure for April 2023 was £11,540.02 (8 staff). The payroll figure for May 2023 was £11,047.59 (8 staff). The difference is because one member of staff left at the end of April 2023 and only their holiday pay owed was included in the May 2023 payment.

Members **unanimously resolved** that they are happy with the schedules as presented. These will be signed by the RFO and the Chair, following the meeting.

110/23-24 ANNUAL HEALTH AND SAFETY AUDITS

(a) **'General Risk Assessment' and 'Fire Risk Assessment'**

The RFO reported that, following the annual Health and Safety Audits undertaken by our contracted Health and Safety specialists on 14th June 2023, that updated 'General Risk Assessment' and 'Fire Risk Assessments' have been received (copied to Members in their papers).

(b) **Legionella Risk Assessment**

The RFO stated that one outcome from the Health & Safety Audits is that BTC's specialist Health and Safety consultant has informed us that, despite the low risk, BTC is now required to have a Legionella risk assessment undertaken. We have one quotation so far:

- A legionella risk assessment (up to 10 rooms) - £285.00 plus VAT.
- A risk assessment with sampling (legionella and pseudomonas) - £335.00 plus VAT.

Two additional companies will be asked for quotes.

Councillor Atkin commented that in section 8.5 of the of the General Risk Assessment it states to 'Consider completing Legionella risk assessment, in line with L8 Regulations'. He queried whether it is an actual requirement.

Both the Clerk and RFO confirmed that in the meeting, our specialist was adamant that a Legionella risk assessment must be undertaken.

Following discussions, Councillor Atkin said that because the staff use hosepipes for cleaning the vehicles, filling up water containers, etc., that is one area that could potentially be a risk factor for Legionella.

Councillor Ellis stated that he knows somebody who is a specialist in these matters, and can ask him for further advice.

Members agreed that this was a good idea.

Action Councillor Ellis to update Members regarding this matter at the July 2023 meeting.

(c) **Health & Safety Policy and Handbook**

To note that, following the Health and Safety Audits undertaken by our contracted Health and Safety specialists, that an updated Health & Safety Policy and Handbook was issued to all staff on 16th June 2023 (copied to Members in their papers).

The Chair stated that Councillor Scott had emailed a query regarding the risk assessments as he noted that working on or near highways or working near water was not specifically mentioned. He had asked if this was covered by other documents.

The Clerk confirmed that these matters are covered under specific risk assessment documents. (as mentioned in item 6 'Assessment Format' on page 8 of the General Risk Assessment document). These are part of the review process undertaken during the audit.

111/23-24 **GENERAL ITEMS FOR REPORTING/NOTING**

The RFO reported the purchase of two Adobe Acrobat Pro DC (annual) licences (£349.80 +VAT).

The RFO explained that purchasing this software, enables Officers to work more cost-effectively, rather than continuing to spend a lot of time looking for free suitable software for various manipulations of documents, which cannot be easily done with the software we currently have installed.

The free version of Acrobat does not have the capabilities that the Clerk and RFO often require to enable them to undertake some aspects of their work efficiently. It also gives Officers the peace of mind that they will not be inadvertently downloading any malware onto their machines.

A question was raised regarding the procurement of the licences.

The RFO stated that some items do not require the permission of the Council prior to purchase. In particular those that are required as part of the day-to-day running of the offices or maintenance team.

She added that there was a time limited deal, via our current IT supplier for these licences, which made it cheaper than purchasing directly from Adobe. We were also at a point where some documents relating to ongoing matters being dealt with in the office required some alteration that could not be easily done with other software.

Councillor Atkin queried why some other software items had been approved by Council before being purchased.

The RFO stated that the initial purchase of other software had been part of a larger package when our most recently purchased pcs had been ordered.

The RFO informed Members that, although Officers do not technically have to run everything through the Council, especially for relatively smaller purchases, if we have time, we often do, just so the Council is kept more formally updated.

All purchases are always reported to the Council as part of the monthly approval of the accounts schedules.

Councillor Atkin asked if the RFO could justify, in the Financial Regulations, not having run this software purchase past the Council or Chair / Vice Chair before purchasing.

The RFO stated that she can, but could not 'off the top of her head'. She added that she will refer to the Financial Regulations and report the relevant parts in the minutes:

From the Financial Regulations 2023:

1.14 In addition, the Council must:

- determine and keep under regular review the bank mandate for all Council bank accounts;
- approve any grant or a single commitment in excess of £2,000 . . .

The cost of the software (£349.80) is below the £2,000 limit before an item must be approved by Council.

11.1 Procedures as to contracts are laid down as follows:

(a) Every contract shall comply with these financial regulations, and no exceptions shall be made otherwise than in an emergency provided that this regulation need not apply to contracts which relate to items (i) to (vi) below:

- (i) for the supply of gas, electricity, water, sewerage and telephone services; (see also note below vii);
- (ii) for specialist services such as are provided by legal professionals acting in disputes;
- (iii) for work to be executed or goods or materials to be supplied which consist of repairs to or parts for existing machinery or equipment or plant;
- (iv) for work to be executed or goods or materials to be supplied which constitute an extension of an existing contract by the Council;

BTC already has a contract with the company that supplied the software; this has been added to our contract.

- (v) for additional audit work of the external Auditor up to an estimated value of £500 (in excess of this sum the Clerk, RFO or Deputy Clerk/Deputy RFO shall act after consultation with the Chairman and Vice Chairman of Council);
- (vi) for goods or materials proposed to be purchased which are proprietary articles and/or are only sold at a fixed price.

Note:

- (vii) Where a favourable price is quoted by a supplier/provider for work or services (e.g. gas, electricity, water and telephone services) and a short time limit of acceptance prevails; the Clerk or Deputy Clerk/ RFO are given authority to proceed with placing an order. They will be expected to inform the Chair/Vice Chair of the Council of the action taken and the circumstances prevailing and report the action to the next appropriate Finance and/or Council Meeting.

The RFO was offered a quotation that was approximately £40.00 below the price offered if we had purchased it through Adobe. She advised the Chair of her actions at a 'pre-meeting' prior to the June meeting. In addition, it was reported as a separate item in the papers sent to all Members six days prior to the June 2023 Council meeting, and subsequently reported at the June 2023 Part I Finance Meeting.

In addition in item 10.1 of the Financial Regulations it states that, *'Purchase orders for goods up to the value of £500 may be signed by the Clerk or Deputy Clerk/RFO. Purchase orders over that amount must also be signed by the Chair or Vice Chair.'*

Although a purchase order was not required (as we added the item to our current contract with our IT supplier) the value of the purchase was under the £500.00 that Officers are authorised to sign a purchase order for.

The Clerk and RFO are always very mindful that any purchases for the Council come out of public funding. Officers always search for the best value for money and will only make a purchase when it is deemed it to be necessary for the smooth and efficient running of the Council.

For any unusual transactions Officers would always seek approval of the Council.

END OF YEAR ACCOUNTS

112/23-24 INTERNAL AUDIT OF ACCOUNTS FOR THE YEAR END 31ST MARCH 2023

- (a) The RFO reported that the internal auditor undertook the (remote) final end of year audit on 9th June 2023. As the auditor was satisfied that all the documentation has been prepared in accordance with 'proper practices', he has signed and returned the Internal Audit Report section of the Annual Governance and Accountability Return (AGAR).

A copy of the year end Internal Audit Report can be found on pages 62 and 63 below.

We have a clean end of year audit from the internal auditor, with no additional recommendations.

- (b) The recommendation from the interim internal audit, which took place remotely on 2nd February 2023: *'The Chair should email the annual officer pay rise information to the payroll agent.'* has already been implemented, as agreed with our internal auditor.

In addition, whilst undertaking the interim internal audit, the internal auditor noted that the Council had already resolved, at their January 2023 meeting, to produce four new strategies / policies that were not yet in place: The Investment and Treasury Management Strategy, the Expenses Policy, the Income Collection / Debts Write- Off Policy and the Gifts and Hospitality Policy.

A batch of documents, used to produce the AGAR and pro-forma that will be submitted to the external auditor (and was part of the documentation sent to the internal auditor in relation to the 2022/2023 internal end of year audit) has been circulated to Members in their papers.

The full set of documents is available for Members to view in the office.

- (c) Members were reminded of the continuing internal auditor appointment for 2022/2023 and method of working, including the 'remote' year-end audit process for 2022/2023.

The RFO asked Members to consider whether they are happy to continue with the services of our current internal auditor for 2023/2024.

It was **proposed** by Councillor Atkin, **seconded** by Councillor Ball and **unanimously resolved** that the Town Council continues with our current internal auditor.

Action Clerk's office to contact our internal auditor regarding the above, to ask if he wishes to continue as our internal auditor for 2023/2024, and to request that, if so, he confirms his independence from the Town Council.

113/23-24 **EARMARKED RESERVES**

- (a) The RFO stated that, as mentioned above, a pack of finance documents was circulated to Members in their papers. These, along with other information from the monthly reconciliation schedules, which are presented to Councillors at each monthly meeting, are used to create the final end of year accounts figures.

These documents included the Balance Sheet which details the final balances and earmarked reserves/funds as at 31/03/2023, for the Council's approval (to be carried forward to the 2023/2024 financial year).

- (b) Members were asked to note that the balances for 31/03/2023 reflected finalised working balances / earmarked reserves of £373,806.65, and to formally consider and approve these balances:

Working balances (6 months)	£185,000.00
Community Development Fund	£45,000.00
General equipment (inc. vehicles)	£91,900.53
Election fees	£10,000.00
Contingency fund	£42,000.00
Total	£373,806.65

Councillor Sheridan **proposed**, Councillor Ellis **seconded**, and it was **unanimously resolved** that Members approve the reserves and balances as at 31/03/2023, as listed above.

114/23-24 **TANGIBLE / FIXED ASSETS**

The RFO asked Members to consider and approve the accuracy of the (several) asset registers.

These assets are monitored on an ongoing basis for any issues, damage, wear, etc. and action is taken if necessary to repair, replace, decommission or add any asset to the Council's resources.

Councillor Atkin **proposed**, Councillor Brereton **seconded** that the Council approves the accuracy of the asset registers. This was **unanimously resolved** by those Members present.

- (a) To comply with the financial year end requirements, specifically the Annual Governance and Accountability Return (AGAR) Part 1 Members annually spend time going through the existing financial control mechanism; the present method of managing and reporting of the Council's financial information.

Members were reminded that, that at the March 2023 Finance Part I Meeting it was **unanimously resolved** that 'Appendix C – Annual Risk Assessment Review (Financial and Operational Processes)' be approved (see Minute 357/22-23). This formed part of the documentation required for approval by the internal auditor.

'Appendix C' is included in the March 2023 Part I Finance Minutes on pages 248 to 254 (pages 1-7 of the appendix); it is a list of all the health/safety and risk assessment issues considered by Council and/or dealt with by Council in 2022/2023.

The '*Annual Review of Internal Controls - Summary of Health and Safety Risk Assessment and Management/Budgetary Control Issues Considered and/or Dealt with During the 2022/2023 Financial Year*'; referred to as 'Appendix A', can be found (pages 8 to 12) of 'Appendix C' on pages 255 to 259 of the March 2023 minutes.

(b) **Standing Orders and Financial Regulations**

The RFO reminded Members that the Council's Standing Orders and Financial Regulations, were discussed and formally approved during the main May 2023 Annual Council Meeting.

Members considered the amended Standing Orders and Financial Regulations (in May 2023) to be comprehensive and will cover and safeguard the management of the Council's finances and control information for the 2023/2024 financial year.

The amended Standing Orders (Minute 044/23-24) and the amended Financial Regulations (Minute 045/23-24) were formally approved at the May 2023 meeting.

The requirements of our Financial Regulations continue to be enhanced with the internal control via Council's monthly receipt of its Statement of Income and Expenditure and the monthly reconciliation with the bank account. All accounts for cheque payment (if any) each month are authorised and only Members sign cheques (no Officers are involved in cheque signing for the Co-Operative account).

The financial schedules also show all the regular direct debits/standing orders currently set up, which are for utilities or other regular monthly payments.

All transactions are shown on the monthly control and reconciliation sheets.

Online transactions are monitored monthly by Members. The process for BACS payments is included in the Financial Regulations (sections 5.1 and 5.5).

The management and signatories for the Nationwide account continue to be vested to the Clerk, the Responsible Finance Officer and Councillor D. Ellis.

The Nationwide's account information continues to be presented to Council as part of the Council's regular monthly reconciliation at each monthly meeting.

Transactions can now be made either over the telephone, by emailing a signed pdf document to the bank, or by making an on-line transfer request. It does not offer cheque book facilities.

Funds continue to be transferred from the Nationwide account to the Co-Operative Bank account when necessary, to split the financial risk, keeping the amount in the Co-operative account to a maximum of around £85,000 - £100,000.

The amount of £85,000 is the maximum amount the Town Council would be able to recover from either bank under the Financial Services Compensation Scheme (FSCS).

The Town Council continues to use the Co-operative Bank's online banking service; which the Co-operative Bank updates from time to time, keeping the same security protocols in place.

At the July 2021 Part I Finance Meeting (see Minute 273/21-22 (d)) the Council resolved that Councillor Atkin be added as a processor for set-up and approval of payments, on the Co-operative Bank account, if required.

The comprehensive security aspects of operating the system have previously been formalised by the Town Council and involve a transaction authoriser and an approver; no one person may carry out online monetary bank transactions (see Financial Regulations, section 5.5). These remain the same with the 2023 updated online service.

The Chair or a member of the Finance Sub-Committee continues to undertake a monthly check of a random sample of around five payments to suppliers and countersigns the record of payment document.

When pay rates change, they are checked by the Chair of the Council to ensure the correct new rates have been applied. The payroll bureau is notified of the changes in the manner agreed with our internal auditor following the interim internal audit in February 2023.

- (c) In addition, clear procedure detail is given within the Financial Regulations for the Council, its Clerk and Finance Officer to process the following activities:
- (i) Annual estimates
 - (ii) Budgetary control
 - (iii) Accounting and audit
 - (iv) Banking, cheque processing and direct debits/standing orders
 - (v) Payment of account
 - (vi) Payment of salaries
 - (vii) Dealing with income
 - (viii) Loans and investments
 - (ix) Orders for work, goods, services and any contract work and contract payment arrangements
 - (x) Managing stores and equipment
 - (xi) Properties, buildings, etc., and relevant insurance cover.
- (d) Members have considered the previous interim reports from the internal auditor and noted that all the recommendations have been implemented

The Town Council received a clean year-end 2022/2023 internal report.

Members received the updated 2022/2023 advisory comments made by the auditor for the interim audit.

The RFO reminded Members that the recommendation made during the interim audit (undertaken on 2nd February 2023) : ‘*The Chair should email the annual officer pay rise information to the payroll agent.*’ has already been implemented, as agreed with our internal auditor.

- (e) The RFO reminded Members that the Town Council received a clean report for the 2021/2022 External Audit.

There were no, “*Other matters not affecting our opinion which we draw to the attention of the authority:*”.

- (f) For 2022/2023 we remained with our insurance provider (Zurich) with the level of £1 million pounds of fidelity insurance.

- (g) After discussion and deliberation Members **unanimously resolved** that the Council:

- (i) is satisfied and content with the current level of financial controls and information reporting procedures presently in existence
- (ii) is content with the internal audit and risk assessment processes undertaken by the Clerk, RFO/Deputy Clerk and internal auditor
- (iii) will again, in future years, review all the control processes as part of the year-end financial procedures
- (iv) be involved in the selection and output reporting for the Council’s audit and risk assessment activities
- (v) after consideration of the internal audit report for 2022/23 that Members confirm the reappointment of the internal auditor to undertake the 2023/20234 audit function.

- (h) The RFO reported that the ‘public notice’ displayed regarding electors’ rights to Review the accounts for 2021/2022 was published on 30th June 2022 for a period from 1st July 2022 up to 11th August 2022.

The public notice for 2022/2023 accounts will be published on 30th June 2023 to ‘advertise’ the period during which the public can arrange to inspect the accounting records in person as between 3rd July 2023 to 11th August 2023.

The accounts are also published on our website.

116/23-24 **APPROVAL OF THE ANNUAL ACCOUNTS AND ANNUAL GOVERNANCE & ACCOUNTABILITY RETURN (AGAR) 2022/2023**

- (a) The RFO reminded Members that Town and Parish Councils are now required to prepare and submit their Annual Governance and Accountability Returns (AGAR) based primarily on the gross income and expenditure of a Council for a particular financial year.

(b) After full consideration of the 2022/2023 accounts schedules produced by the RFO, in the Income and Expenditure format and with the extensive supporting schedules; all produced in accordance with Accounts and Audit Regulations 2015 (the Regulations) as amended; Councillor Brereton **proposed**, Councillor Allen **seconded** and Members **unanimously resolved**:

- (i) That the annual accounts for 2022/2023 as prepared by the RFO and the supporting documentation including working documents, bank account statements, Public Works Loan statement, Section 137 awards, the asset and equipment registers, and list of Health and Safety risk assessment actions and internal controls be accepted.
- (ii) That these figures and statements become the source data for the completion of the Annual Governance Statement and the Accounting Statements for 2022/2023.
- (iii) The RFO presented to Members the completed AGAR for 2022/2023 with its summary income/expenditure headings reflecting the 2022/2023 accounts data – for Council approval and signatures.

Members considered the Section 1 Annual Governance Statement for the Annual Accounts for 2022/2023 including the ‘Yes/No’ answers to Section 1 of the AGAR which read as follows:

- 1 We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.
YES
- 2 We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.
YES
- 3 We took all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and Proper Practices that could have a significant financial effect on the ability of this authority to conduct its business or manage its finances.
YES
- 4 We provided proper opportunity during the year for the exercise of electors’ rights in accordance with the requirements of the Accounts and Audit Regulations.
YES
- 5 We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.
YES
- 6 We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.
YES

- 7 We took appropriate action on all matters raised in reports from internal and external audit.
YES
- 8 We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this smaller authority and, where appropriate have included them in the accounting statements.
YES
- 9 (For local councils only) Trust funds including charitable. In our capacity as the sole managing trustee we discharged our accountability responsibilities for the fund(s)/assets, including financial reporting and, if required, independent examination or audit.
N/A

After consideration of the Section 1 Annual Governance Statement for the Annual Accounts for 2022/2023 Councillor Ellis **proposed** and Councillor Brereton **seconded** that to the best of the Town Council's knowledge and belief, with respect to the declarations for the year ended 31st March 2023 that these be accepted as accurate and that the Annual Governance Statement be approved.

Members **unanimously resolved** that the Annual Governance Statement 2022/2023 be approved, and signed as necessary.

- (c) After consideration of the of the Section 2 Accounting Statements for the Annual Accounts for 2022/2023 Councillor Atkin **proposed** and Councillor Ellis **seconded** that to the best of the Town Council's knowledge and belief, with respect to the accounting statements for the year ended 31st March 2023 that these be accepted as accurate and that the Town Council's Accounting Statements 2022/2023 be approved.

Members **unanimously resolved** that the Section 2 Accounting Statements for the Annual Accounts for 2022/2023 be **approved**, and signed as necessary.

- (d) Councillor Evans **proposed** and Councillor Atkin **seconded** that Members of the Town Council formally approve the adoption of the 2022/2023 AGAR.

Members **unanimously resolved** that the AGAR for 2022/2023 be approved, and be submitted to the external auditor.

The relevant sections of the AGAR referred to above are attached (see pages 64 to 66 below).

Action The RFO to compile the necessary documents and to send them to the external auditor.

- (e) To receive, and approve for payment, the invoice from our internal auditor for his year-end internal audit services for 2022/2023 (£350.00 +VAT).

Members unanimously approved this for payment.

The meeting concluded at 7.50pm.

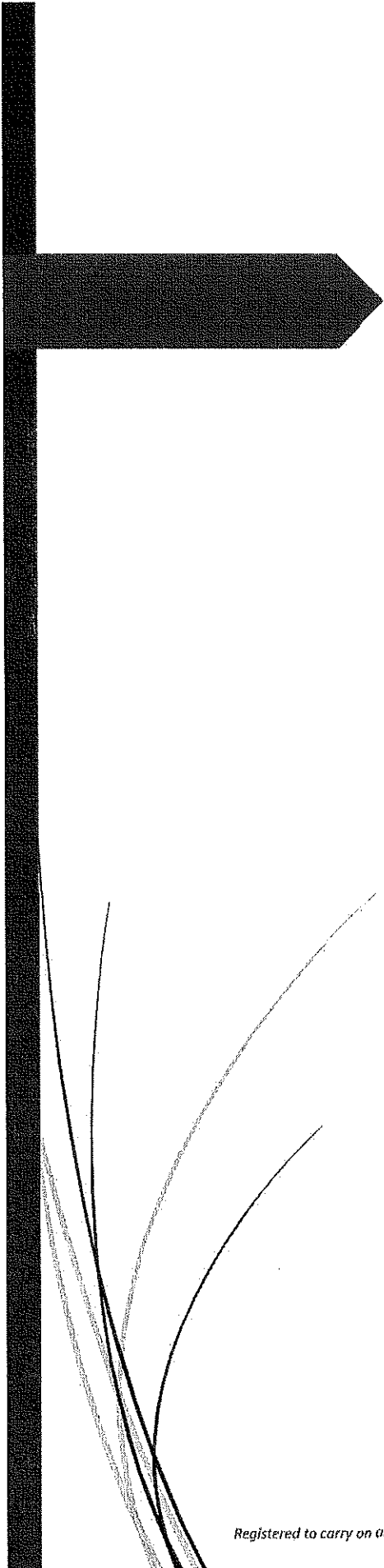
Payment of Accounts:						
Resolved: that the following payments be approved as the residual April 2023 and part of the May 2023 accounts						
Date	Ref	Payee	Description	Net	VAT	Gross
17.04.2023	DD	FD Online	Financial Direct Fees (Co-Operative Bank Account)	£ 39.60		£ 39.60
18.04.2023	DD	Avoira	IT support, backups, internet services (4 x inv.) April 2023	£ 234.68	£ 46.94	£ 281.62
20.04.2023	DD	British Gas (taken over Avanti)	Gas - Parkers Farm (includes balance owed to Avanti Gas)	£ 515.82	£ 5.60	£ 521.42
21.04.2023	DD	E-on Next	Electricity - Locking Stumps MUJA	£ 10.19	£ 0.51	£ 10.70
21.04.2023	*	Matco Direct	Mat cleaning Oct 22 - March 2023	£ 225.75	£ 45.15	£ 270.90
21.04.2023	*	Atlas Contractors	Key Holding - April 2023 - March 2024	£ 437.18	£ 87.44	£ 524.62
24.04.2023	*	PREMIOclean	Office cleaning services April 2023	£ 378.22	£ 75.64	£ 453.86
26.04.2023	DD	Allstar	Fuel (office vans, equipment)	£ 58.28	£ 11.66	£ 69.94
27.04.2023	DD	Firstcom Europe	Office phone charges	£ 77.95	£ 15.59	£ 93.54
28.04.2023	DD	BNP Paribas	Copier Lease	£ 170.00	£ 34.00	£ 204.00
28.04.2023	*	Viking	Stationery	£ 69.48	£ 13.90	£ 83.38
28.04.2023	*	Cheshire Pension Fund	Pension contributions re: April 2023 Eee £824.70 Eer £3,002.53	£ 3,827.23		£ 3,827.23
28.04.2023	*	HMRC	Tax £1,478.00 NI £1,982.80 (6 April 2023 to 5 May 2023)	£ 3,460.80		£ 3,460.80
02.05.2023	DD	Waterplus	Water and wastewater services (4083868280)	£ 25.83		£ 25.83
02.05.2023	DD	LEVL	Geotab Pro Plus (in advance - May monthly subscription)	£ 30.00	£ 6.00	£ 36.00
02.05.2023	DD	James Todd (Go Cardless)	Payroll services (March 2023)	£ 48.00	£ 9.60	£ 57.60
03.05.2023	DD	Allstar	Fuel (office vans, equipment, mowers)	£ 78.19	£ 15.64	£ 93.83
04.05.2023	DD	Legal and General	Ill health insurance	£ 159.87		£ 159.87
05.05.2023	*	Risley MOT & Truck Ltd.	HK64 NNM - investigate oil leak and change oil filter/top up oil	£ 103.87	£ 20.77	£ 124.64
05.05.2023	*	Cheshire Association of Local Councils	Annual subscription renewal	£ 1,510.87		£ 1,510.87
05.05.2023	*	May 2023 Wages	8 staff	£ 11,047.59		£ 11,047.59
10.05.2023	DD	Allstar	Fuel (office vans, equipment, mowers)	£ 133.29	£ 26.65	£ 159.94
10.05.2023	*	Tommy Tots (via Church a/c)	Grant - sensory play area equipment	£ 500.00		£ 500.00
11.05.2023	*	Risley MOT & Truck Ltd.	PO51 WLE - investigate indicator fault - new flasher unit installed	£ 96.42	£ 19.28	£ 115.70

Payments of Account since 11th May 2023

Date	Ref	Payee	Description	Net	VAT	Gross
12.05.2023	DD	Waterplus	Water/w astew ater services (4083867607)	£ 92.81	£ -	£ 92.81
12.05.2023	DD	British Gas	Gas - Parkers Farm	£ 68.32	£ 3.41	£ 71.73
15.05.2023	DD	Copyrite	Photocopying charges	£ 35.32	£ 7.06	£ 42.38
16.05.2023	DD	Avoira	IT support, backups, internet services (4 x inv.) April 2023	£ 232.11	£ 46.42	£ 278.53
16.05.2023	DD	FD Online	Financial Direct Fees (Co-Operative Bank Account)	£ 39.40		£ 39.40
17.05.2023	DD	Allstar	Fuel (office vans, equipment, mowers)	£ 87.72	£ 17.53	£ 105.25
18.05.2023	*	Risley MOT & Truck Ltd.	HK64 NNM - investigate fault - r/s/f caliper loom repair	£ 72.50	£ 14.50	£ 87.00
19.05.2023	*	Arco	Safety boots (JW and MA)	£ 108.74	£ 21.75	£ 130.49
19.05.2023	*	Elas Occupational Health Ltd	New starter pre-employment medical (HT)	£ 250.00	£ 50.00	£ 300.00
19.05.2023	*	Wynchco Solutions	1 year Joomla! Support/Domain renewal/hosting	£ 858.95	£ -	£ 858.95
23.05.2023	*	Reimburse Mrs McDonald	Petty cash float	£ 100.00	£ -	£ 100.00
23.05.2023	*	Bumblebee Plumbing	Supply and install new kitchen tap	£ 143.69	£ 28.74	£ 172.43
24.05.2023	DD	E-on Next	Electricity - Locking Stumps MUGA	£ 9.21	£ 0.46	£ 9.67
24.05.2023	DD	Allstar	Fuel (office vans, equipment, mowers)	£ 85.14	£ 17.02	£ 102.16
26.05.2023	DD	SWALEC	Electricity - Parkers Farm	£ 364.81	£ 18.24	£ 383.05
30.05.2023	DD	James Todd (Go Cardless)	Payroll services (April 2023)	£ 52.80	£ 10.56	£ 63.36
30.05.2023	DD	Firstcom Europe	Office phone charges	£ 68.14	£ 13.63	£ 81.77
31.05.2023	DD	LEVL	Geotab Pro Plus (in advance - June monthly subscription)	£ 30.00	£ 6.00	£ 36.00
31.05.2023	DD	Allstar	Fuel (office vans, equipment, mowers)	£ 21.00	£ 4.20	£ 25.20
01.06.2023	DD	Waterplus	Water and w astew ater services (4083868280)	£ 25.83		£ 25.83
02.06.2023	*	ESI	Supply & commission 8 new fire extinguishers (& disposal of old)	£ 388.00	£ 77.60	£ 465.60
05.06.2023	DD	Legal and General	Ill health insurance	£ 159.87		£ 159.87
06.06.2023	*	PREMI Clean	Office cleaning services May 2023 (overpaid £41.25)	£ 378.22	£ 75.64	£ 453.86
07.06.2023	DD	Allstar	Fuel (office vans, equipment, mowers)	£ 114.89	£ 22.97	£ 137.86
07.06.2023	*	June 2023 Wages	9 staff	£ 13,442.92		£ 13,442.92
09.06.2023	*	Vans Northwest	MK71FUU replace damaged key and recode new key	£ 101.70	£ 20.34	£ 122.04
09.06.2023	*	Arco	Safety boots (HT and SM) and safety glasses	£ 93.68	£ 18.73	£ 112.41
09.06.2023	*	Elas Occupational Health Ltd	New starter pre-employment medical (SM)	£ 250.00	£ 50.00	£ 300.00
09.06.2023	*	Duttons	Hedge trimmer lines, grease and oil	£ 139.92	£ 27.98	£ 167.90
12.06.2023	DD	Waterplus	Water/w astew ater services (4083867607)	£ 92.81		£ 92.81
14.06.2023	DD	Allstar	Fuel (office vans and equipment)	£ 79.36	£ 15.87	£ 95.23
15.06.2023	DD	Avoira	IT support, backups, internet services (4 x inv.) May 2023	£ 232.11	£ 46.42	£ 278.53
15.06.2023	DD	CopyriteSystems	Photocopying charges	£ 14.82	£ 2.97	£ 17.79
15.06.2023	DD	Financial Direct Fees	FD online charges	£ 39.40		£ 39.40
16.06.2023	*	HMRC	Tax £1,290.40 Nil £1,951.03 (6 May 2023 to 5 June 2023)	£ 3,241.43		£ 3,241.43
16.06.2023	*	Cheshire Pension Fund	Pension contributions re: May 2023 Eee £826.59 Eer £3,009.72	£ 3,836.31		£ 3,836.31

Payments of accounts for approval at the June 2023 meeting

Date	Ref	Payee	Description	Net	VAT	Gross
all tbc	DD	Legal and General	Ill health insurance	£ 159.87		£ 159.87
	DD	Firstcom Europe	Phone/enhanced internet speed charges	tbc		
	DD	Waterplus	Water and w astew ater services (4083868280)	£ 25.83		£ 25.83
	DD	Waterplus	Water/w astew ater services (4083867607)	£ 92.81		£ 92.81
	DD	Avoira	IT support, backups, internet services (4 x inv.) June 2023	£ 232.11	£ 46.42	£ 278.53
	DD	James Todd	May payroll fee	£ 52.80	£ 10.56	£ 63.36
	DD	E-on	Electricity - Locking Stumps multi-use games area	£ 9.34	£ 0.47	£ 9.81
	*	Premiclean	Cleaning services June 2023 (adjusted for May overpayment)	£ 412.60	£ 82.53	£ 495.13
	DD	LEVL	Geotab Pro Plus (monthly subs. - in advance) July 2023	£ 30.00	£ 6.00	£ 36.00
	DD	Allstar	Fuel (office vans and equipment)	£ 87.72	£ 17.53	£ 105.25
	*	Regal Disposables	Refuse sacks and paper hand towels	£ 663.50	£ 132.70	£ 796.20
	*	Elan City Ltd	2 x solar-powered speed indicator devices & related equipment	£ 4,948.80	£ 989.76	£ 5,938.56
	DD	Financial Direct Fees	FD online charges	tbc		
	DD	CopyriteSystems	Photocopying charges	£ 28.91	£ 5.79	£ 34.70
	*	E Smith & Son Nursery	Hanging baskets, plants and compost	tbc		
	*	HMRC	Tax £1,277.80 Nil £2,259.00 (6 June 2023 to 5 July 2023)	£ 3,536.80		£ 3,536.80
	*	Cheshire Pension Fund	Pension contributions re: June 2023 Eee £995.60 Eer £3,668.19	£ 4,663.79		£ 4,663.79
	*	JDH Business Services Ltd	Year End Internal Audit 2022/2023	£ 350.00	£ 70.00	£ 420.00
	DD	British Gas	Gas - Parkers Farm	£ 65.38	£ 3.26	£ 68.64
		Direct 365	Feminine Hygiene Unit	£ 88.80	£ 17.76	£ 106.56
	*	Swift (NVV) Ltd	Grant - portable toilets for 2023 Birchwood Carnival	£ 600.00	£ 120.00	£ 720.00



Birchwood Town Council

Internal Audit 2022/23

JDH BUSINESS SERVICES LTD

Registered to carry on audit work by the Institute of Chartered Accountants in England and Wales

	ISSUE	RECOMMENDATION	FOLLOW UP
2022/23 year end internal audit			
No further issues arising – a robust set of year end records have been maintained with a comprehensive audit trail to supporting information.			
2022/23 interim internal audit			
1	A review of governance and policies identified that the following were not in place at the time of the interim internal audit: <ul style="list-style-type: none"> • Investment Strategy and Treasury Management strategy • Expenses Policy • Income Collection / Debts Write Off policy • Gifts and Hospitality policy 	<i>None - The council has already resolved to address these policy/strategy gaps at the January 2023 meeting.</i>	
2	Pay rises are notified to the payroll agent via an email from officers.	<i>The Chair should email the annual officer pay rise information to the payroll agent.</i>	
2021/22 year end internal audit			

	ISSUE	RECOMMENDATION	FOLLOW UP
2021/22 interim internal audit			
1	The council did not evidence whether it carried out an annual physical verification of fixed assets recorded in the asset register as required by the following Financial Regulation: 14.6..... The continued existence of tangible assets shown in the (Asset) Register shall be verified at least annually, possibly in conjunction with a health and safety inspection of assets.’	<i>The Financial Regulations for fixed assets should be complied with and evidence should be retained for the annual asset verification check for audit purposes.</i>	Implemented
1	Sample testing of payments identified that quotations for contracts as required by the Financial Regulations are not centrally held in a quotations file. As a result for some sample items individual searches of electronic/manual information were required to identify the relevant documentation.	<i>A separate file should be maintained to evidence all contract procurement market testing exercises.</i>	Implemented an electronic and hard copy quotations folder is now maintained.

BIRCHWOOD TOWN COUNCIL AGAR FOR YEAR END 2022 - 2023

Annual Internal Audit Report 2022/23

Birchwood Town Council

birchwoodtowncouncil.org.uk

During the financial year ended 31 March 2023, this authority's internal auditor acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with the relevant procedures and controls in operation and obtained appropriate evidence from the authority.

The internal audit for 2022/23 has been carried out in accordance with this authority's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this authority.

Internal control objective	Yes	No*	Not covered**
A. Appropriate accounting records have been properly kept throughout the financial year.	✓		
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓		
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	✓		
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	✓		
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.	✓		
G. Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.	✓		
H. Asset and investments registers were complete and accurate and properly maintained.	✓		
I. Periodic bank account reconciliations were properly carried out during the year.	✓		
J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.	✓		
K. If the authority certified itself as exempt from a limited assurance review in 2021/22, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2021/22 AGAR tick "not covered")	N/A		✓
L. The authority published the required information on a website/webpage up to date at the time of the internal audit in accordance with the relevant legislation.	✓		
M. In the year covered by this AGAR, the authority correctly provided for a period for the exercise of public rights as required by the Accounts and Audit Regulations (during the 2022-23 AGAR period, were public rights in relation to the 2021-22 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set).	✓		
N. The authority has complied with the publication requirements for 2021/22 AGAR (see AGAR Page 1 Guidance Notes).	✓		

O. (For local councils only)	Yes	No	Not applicable
Trust funds (including charitable) – The council met its responsibilities as a trustee.			✓

For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed).

Date(s) internal audit undertaken

08/02/2023 and 09/06/2023

Name of person who carried out the internal audit

JDH BUSINESS SERVICES LTD

Signature of person who carried out the internal audit

[Redacted Signature]

Date

09/06/2023

*If the response is 'no' please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

**Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned; or, if coverage is not required, the annual internal audit report must explain why not (add separate sheets if needed).

Section 1 – Annual Governance Statement 2022/23

We acknowledge as the members of:

BIRCHWOOD TOWN COUNCIL

our responsibility for ensuring that there is a sound system of internal control, including arrangements for the preparation of the Accounting Statements. We confirm, to the best of our knowledge and belief, with respect to the Accounting Statements for the year ended 31 March 2023, that:

	Agreed		
	Yes	No	
1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.	✓		<i>prepared its accounting statements in accordance with the Accounts and Audit Regulations.</i>
2. We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	✓		<i>made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.</i>
3. We look all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and Proper Practices that could have a significant financial effect on the ability of this authority to conduct its business or manage its finances.	✓		<i>has only done what it has the legal power to do and has complied with Proper Practices in doing so.</i>
4. We provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.	✓		<i>during the year gave all persons interested the opportunity to inspect and ask questions about this authority's accounts.</i>
5. We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	✓		<i>considered and documented the financial and other risks it faces and dealt with them properly.</i>
6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.	✓		<i>arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of this smaller authority.</i>
7. We took appropriate action on all matters raised in reports from internal and external audit.	✓		<i>responded to matters brought to its attention by internal and external audit.</i>
8. We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this authority and, where appropriate, have included them in the accounting statements.	✓		<i>disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.</i>
9. (For local councils only) Trust funds including charitable. In our capacity as the sole managing trustee we discharged our accountability responsibilities for the fund(s)/assets, including financial reporting and, if required, independent examination or audit.	Yes	No	N/A
	✓		✓
			<i>has met all of its responsibilities where, as a body corporate, it is a sole managing trustee of a local trust or trusts.</i>

*Please provide explanations to the external auditor on a separate sheet for each 'No' response and describe how the authority will address the weaknesses identified. These sheets must be published with the Annual Governance Statement.

This Annual Governance Statement was approved at a meeting of the authority on:

27/06/2023

and recorded as minute reference:

to follow

Signed by the Chairman and Clerk of the meeting where approval was given:

Chairman

Clerk



www.birchwoodtowncouncil.org.uk

Section 2 – Accounting Statements 2022/23 for

BIRCHWOOD TOWN COUNCIL

	Year ending		Notes and guidance
	31 March 2022 £	31 March 2023 £	
1. Balances brought forward	322,107	303,771	Total balances and reserves at the beginning of the year as recorded in the financial records. Value must agree to Box 7 of previous year.
2. (+) Precept or Rates and Levies	357,726	367,625	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	4,363	3,738	Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.
4. (-) Staff costs	233,653	224,379	Total expenditure or payments made to and on behalf of all employees. Include gross salaries and wages, employers NI contributions, employers pension contributions, gratuities and severance payments.
5. (-) Loan Interest/capital repayments	20,750	19,990	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).
6. (-) All other payments	126,022	56,958	Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).
7. (=) Balances carried forward	303,771	373,807	Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6).
8. Total value of cash and short term investments	296,103	373,446	The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – To agree with bank reconciliation.
9. Total fixed assets plus long term investments and assets	588,763	591,368	The value of all the property the authority owns – it is made up of all its fixed assets and long term investments as at 31 March.
10. Total borrowings	88,000	72,000	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).

For Local Councils Only	Yes	No	N/A	
11a. Disclosure note re Trust funds (including charitable)				The Council, as a body corporate, acts as sole trustee and is responsible for managing Trust funds or assets.
11b. Disclosure note re Trust funds (including charitable)			✓	The figures in the accounting statements above do not include any Trust transactions.

I certify that for the year ended 31 March 2023 the Accounting Statements in this Annual Governance and Accountability Return have been prepared on either a receipts and payments or income and expenditure basis following the guidance in Governance and Accountability for Smaller Authorities – a Practitioners' Guide to Proper Practices and present fairly the financial position of this authority.

Signed by Responsible Financial Officer before being presented to the authority for approval

Date

19/06/2023

I confirm that these Accounting Statements were approved by this authority on this date:

27/06/2023

as recorded in minute reference:

to follow

Signed by Chairman of the meeting where the Accounting Statements were approved