



SHAVINGTON
CUM
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Shavington-cum-Gresty Council
Finance & Strategy Committee meeting
Main Road,
Shavington, Crewe
CW2 5DP
www.shavingtononline.co.uk

14 June 2023

To: **Members of the Finance & Strategy Committee**

Dear Councillor,

You are summoned to attend the meeting of the **Finance & Strategy Committee** to be held at **7:30PM** on **Wednesday 21 June 2023** at **Shavington-cum-Gresty Village Hall, 159 Main Rd, Shavington, CW2 5DP.**

Your sincerely,

Simona Garner
Parish Clerk

AGENDA

1	To receive and consider apologies for absence
2	To elect the Chair and Deputy Chair
3	To note the Term of References for the Finance and Strategy Committee (attached)
4	To confirm and sign the minutes of the Finance Committee Meeting hold on 15 February 2023 (attached)
5	To review the year-to-date expenditure for the Council as a whole and to consider Month-End reconciliation statements (attached)
6	To undertake an internal audit check
7	To receive and consider the Internal Audit report (attached)

8	To note and consider an update with regards to Speed Indicator Device (attached)
9	To note the date of the next Finance & Strategy Committee Meeting – 20 September 2023 7:30pm



Report Statement

Meeting: Finance & Strategy Committee

Report Purpose: To present Committee ToR

Version Control: v1

Author: Clerk

1. Report Summary

The report presents the Committee ToR for 2023/24

2. Background

On 17 May 2023 the Parish Council approved the Committees Term of References.

3. Position

Members are asked to note the Committee Term of Reference for 2023/24

4. Governance

ScG Parish Council Standing Order
LGA 1972

5. Financial Impact

None

6. Resource Impact

None

7. Wards Affected

All

8. Conclusions

Members are asked to note the Committee Term of Reference.



FINANCE AND STRATEGY COMMITTEE

Approved by Shavington cum Gresty Parish Council on 17.05.2023

	5 Members of Authority	Quorum 3
	Meeting will take place every 3 months	
	<p>To take a strategic overview of Council operations and ensure that strategy is coordinated across all committees in line with the strategic agenda set by members.</p> <p>To oversee the general operations of the Council in areas such as finance, policy review, budget management, audit, risk management.</p> <p>All non-committee members may attend meetings of the Committee except for confidential items or matters relating to grievance or discipline and speak at the Chairman's discretion but are unable to vote.</p>	
	Function of the Committee	Delegation of function
1	To advise Council on Financial Regulations, Standing Orders and Standing Orders for Contracts.	Committee
2	To ensure that there is a rolling programme of policy and governance reviews in accordance with agreed "review" dates.	Parish Clerk
3	To advise Council on the Constitution and all policy documents not specifically allocated to other standing committees	Committee
	Finance	
4	To be responsible for the overall management and control of the finances of the Council	<p>Council to approve banking arrangements Committee for strategic review</p> <p>RFO/Parish Clerk in accordance with Financial Regulations and for operational management</p>
5	To monitor the Council's capital and revenue budgets	Committee/RFO in accordance with Financial Regulations.
6	Approval of variation, overspend, and virement in accordance with financial regulations	Committee, Parish Clerk and RFO as set out in Financial Regulations
7	To authorise payments in accordance with Financial Regulations	Committee, Parish Clerk and RFO as set out in Financial Regulations



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8	Approval of Orders for work, goods or services acceptance of tenders	<p>Council/Committee/Proper Officer/Parish Clerk in accordance with Financial Regulations and Standing Orders for Contracts.</p> <p>Parish Clerk to approve or vary lists of approved contractors subject to Financial Regulations or Standing orders</p>
9	To make recommendations to the Council on Budget and Precept requirements.	<p>Committee</p> <p>RFO/Parish Clerk to prepare draft Budget and Budget Report</p>
10	To advise on the financial implications of proposed new policies or services including potential costs and sources of revenue.	Committee
11	To advise Council on borrowing policy, investment and treasury management	Committee
12	To regularly monitor the performance of all funds invested.	Committee, Parish Clerk/RFO
13	To supervise the Council's insurance arrangements.	<p>Parish Clerk/RFO for renewal and operational matters.</p> <p>Committee for overview, tendering and changes of cover.</p>
14	To supervise the Council's banking arrangements.	<p>RFO/Parish Clerk</p> <p>Authorised signatories to authorise mandate and payments in accordance with Financial Regulations</p>
15	To be responsible for all matters related to the full range of financial and accountancy functions.	<p>Committee for Strategic overview</p> <p>RFO/Parish Clerk for operational management</p>



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16	To consider reports on outstanding debts due to the Council and to undertake recovery or write off.	Committee for aged debt in accordance with Financial regulations. RFO for routine actions to recover
17	Authorisation of investments and debt repayment in accordance with the Council's Policy	Committee
18	To authorise all leasing arrangements for the acquisition of vehicles, plant and equipment within approved budgets	Committee/Parish Clerk in accordance with Financial Regulations
Procurement		
19	To co-ordinate and oversee the Council's Corporate Procurement and advise it on policy.	Committee for strategic overview Parish Clerk for operational management in accordance with Financial Regulations, Standing orders
Information Technology Services		
20	To oversee the use of information and other technology in support of the Council's business and service commitments.	Operational management to Parish Clerk Strategic Overview to Committee and Contracts within approved budget.
21	To approve all security arrangements of the Council in respect of computers and financial issues.	Committee/Parish Clerk/RFO in accordance with Financial Regulations
22	To oversee the implementation and maintenance of the Council's Accessibility and Transparency Policy	Committee for strategic overview Parish Clerk for operational management in accordance with Financial Regulations, Standing orders
Performance and Business Management		
23	Approval and monitoring of Corporate Business Plan	Committee Parish Clerk to determine underlying Action and Project Plans



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24	Approval of Operating Procedures	Committee for initial Financial Procedures Parish Clerk for other procedures and updating financial procedures
25	Approval, design, planning of strategic projects	Committee
26	To seek and maximise the benefits of external funding and have a strategic overview of all funding opportunities and how to better allocate these to the Council's projects	Strategic overview to Committee Operational management to Parish Clerk
Asset Management		
27	To have oversight of assets and the transfers of assets.	Committee
28	Maintenance of the Asset Register	Parish Clerk
29	Corporate landlord management, repair and maintenance. Leasing & licensing of Council land and buildings	Council for acquisition and disposal Strategic overview to Committee Parish Clerk for operational management
Public Buildings		
30	Power to provide and encourage the use of conference facilities, Local Government Act 1972, S144 Power to provide public buildings and halls, Local Government Act 1972, S215 Power to provide and equip community buildings, Local Government Act 1972, s 133	Committee for strategic overview Parish Clerk for operational management
31	Power to provide and equip community centres for use of clubs having athletic, social or recreational objectives, Local Government (Miscellaneous Provisions) Act 1976 S19.	Committee for strategic overview Parish Clerk for operational management
Audit		
32	To maintain and have oversight of Member Audits.	Committee



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		Parish Clerk to support with operating procedures
33	To undertake any actions recommended following Member Audits and to have overview of risk management	<p>Committee (Council if change of policy required). Council to receive external audit report.</p> <p>Parish Clerk/RFO to manage in accordance with Financial Regulations and to undertake all statutory actions to facilitate audits and returns.</p>
34	Final Internal and External Audit Reports	Committee to advise Council on response
Information and Data Protection		
35	Policy on Data Protection, Access to Information, Freedom of Information and Human Rights.	Advice to Council
36	Decisions on issues relating to Data Protection and Human Rights.	<p>Strategic overview and monitoring to Committee</p> <p>Parish Clerk to renew Data Protection Registration, make amendments as necessary, respond to routine requests for information and matters raised by the Information Commissioner or Data Protection Officer.</p> <p>Parish Clerk to update Privacy notices of all categories.</p>
37	Decisions on issues relating to Access to Information and Freedom of Information.	<p>Committee for strategic overview</p> <p>Parish Clerk to ensure Publication Scheme and Information Guide up to date, all requests for information are dealt with according to legislation and policy and respond to matters raised by the Information Commissioner.</p>
Ethical Framework		



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38	To monitor and control the Council's Code of Conduct and related protocols	Strategic overview and monitoring to Committee. For Officer delegation see Council ToR
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NB. Any actions delegated to the Parish Clerk/Proper Officer may in his/her absence be undertaken by the nominated deputy or deputies, if the matter cannot wait until the Parish Clerk's return.

BLANK

Shavington-cum-Gresty Council
Finance & Strategy Committee meeting
Main Road,
Shavington, Crewe
CW2 5DP



MINUTES of the meeting held on **Wednesday 15 February 2023**

In attendance: Ferguson, K Gibbs, B Gibbs, Wain

ScG FC/22/5/1	To receive apologies for absence
	Apologies were received and accepted from Cllr Hancock
ScG FC/22/5/2	To note declarations of Members' interests
	No declaration was raised
ScG FC/22/5/3	To confirm and sign the minutes of the Finance Committee Meeting held on 23 November 2022
	RESOLVED: that the minutes of the previous meeting are approved and signed as an accurate record.
ScG FC/22/5/4	Public participation
	<i>A period not exceeding 20 minutes for members of the public to ask questions or submit comments</i>
	No comment was raised
ScG FC/22/5/5	To review the year-to-date expenditure for the Council as a whole and to consider Month-End reconciliation statements
	The Clerk briefed Councillors with regards to the YTD report, and highlighted areas of over expenditure in the budget due to inflations and raised costs. Members NOTED the Parish Council YTD financial position. RESOLVED: that the month-end reconciliations statements ending 30 November

	2022, 31 December 2022 and 31 January 2023 are signed and approved
ScG FC/22/5/6	To review the Council's payments and receipts lists since 1 April 2022
	Members NOTED the report. RESOLVED: that payment and receipts made since 1 April 2022 are approved
ScG FC/22/5/7	To undertake an internal audit check
	RESOLVED: that a recommendation is made to Full Council to review the Financial Regulation so that Chairs of each Committees are asked to undertake at least n.2 internal audit/per year and report any issue back to the F&S Committee
ScG FC/22/5/8	To receive and consider the latest version of Parish Council Fixed Asset register
	Members NOTED the report. RESOLVED: that the Parish Council Fixed Asset Register is recommended to Full Council for approval with the following amendments being made: <ul style="list-style-type: none"> - Vine Tree land £1 - Planters and Sleepers #QueenBee project
ScG FC/22/5/9	To receive and consider the latest version of the Parish Council Financial Risk Assessment
	Members NOTED the report. RESOLVED: that the Parish Council Financial Regulation Assessment is recommended to Full Council for approval with the following amendments <ul style="list-style-type: none"> - Staff retention issue – that the following mitigation action is included and implemented: working practice document
ScG FC/22/5/10	To receive and consider the following policies: <ul style="list-style-type: none"> - Shavington-cum-Gresty Parish Council Reserves Policy - Shavington-cum-Gresty Parish Council Investment and Treasury Management Policy - Shavington-cum-Gresty Parish Council Fixed Assets and Content Management Policy - Shavington-cum-Gresty Parish Council Personal Data Complaints Policy - Shavington-cum-Gresty Health and Safety Policy - Shavington-cum-Gresty Village Hall – General Risk Assessment - Shavington-cum-Gresty Environment and Sustainability Policy - Shavington-cum-Gresty Vine Tree Play Area Risk Assessment

	<p style="text-align: center;">- Shavington-cum-Gresty Parish Council Application to Fill a Casual Vacancy for a Councillor</p>
	<p>Members NOTED the report.</p> <p>RESOLVED: that the following policies are recommended to Full Council for approval:</p> <ul style="list-style-type: none"> - Shavington-cum-Gresty Parish Council Reserves Policy - Shavington-cum-Gresty Parish Council Investment and Treasury Management Policy - Shavington-cum-Gresty Parish Council Fixed Assets and Content Management Policy - Shavington-cum-Gresty Parish Council Personal Data Complaints Policy - Shavington-cum-Gresty Environment and Sustainability Policy - Shavington-cum-Gresty Vine Tree Play Area Risk Assessment <p>RESOLVED: that the following policies are recommended to Full Council for approval, with the following amendments being made:</p> <ul style="list-style-type: none"> - Shavington-cum-Gresty Health and Safety Policy –Construction Design Management Regulation 2015: the Parish Council will typically act as client under the CDM regulation - Shavington-cum-Gresty Village Hall – General Risk Assessment – due date Feb 2024 - Shavington-cum-Gresty Parish Council Application to Fill a Casual Vacancy for a Councillor – subject to a further check being made on the eligibility criteria
<p>ScG FC/22/5/11</p>	<p>To receive the bad debts list for 2022/23 and to consider making a recommendation to Full Council to write off bad debts</p>
	<p>Member NOTED the report.</p> <p>RESOLVED: that a recommendation is made to Full Council to sign off the bad debts list for 2022/23</p>
<p>ScG FC/22/5/12</p>	<p>To receive and consider the Project Initiation Document for the ‘Jazz in the Village’ event</p>
	<p>Members NOTED the report.</p> <p>RESOLVED: that option 1 is progressed, and that the Parish Council accept financial risks related with this option and consider this as a learning path for the establishment of a repeatable model to be implemented in the future.</p> <p>RESOLVED: That the event is led by officers, with the support of Councillors and volunteers.</p> <p>RESOLVED: That the allocated budget for the event is £3,000 from the hall hire</p>

	<p>budget, in the understanding that the event will be planned to break even costs.</p> <p>RESOLVED: that the provision of drinks should be arranged with sale or return agreements only.</p> <p>RESOLVED: that C&E Committee is delegated to lead and deliver the project.</p> <p>RESOLVED: that the Clerk will have delegated authority to cancel the event, in consultation with the Chairs of F&S and C&E Committees, in case of low or negative profit margins forecast.</p>
ScG FC/22/5/13	<p>To receive and consider a proposal to transfer £35,000 from the Village Hall bank account to the Shavington-cum-Gresty Parish Council main account</p>
	<p>The Clerk briefed Members with regards to the proposal.</p> <p>Members NOTED the update.</p> <p>RESOLVED: that n.3 authorised signatories Members (Cllr B Gibbs, K Gibbs, Ferguson) approved the transfer of £35,000 from the Village Hall bank account to the Shavington-cum-Gresty main bank account</p>

Meeting Closed at 2116 hrs

Chair: Cllr Wain

Clerk: S Garner

Summary of Receipts and Payments

All Cost Centres and Codes

Community & Engagement Co

Code	Title	Receipts			Payments			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
20	Newsletter: design, printing and				12,400.00	2,336.56	10,063.44	10,063.44 (81%)
21	General Parish Council design a				3,700.00		3,700.00	3,700.00 (100%)
22	PC/VH subscription and adv				1,500.00		1,500.00	1,500.00 (100%)
23	Village Festival				600.00		600.00	600.00 (100%)
24	Christmas/Winter event				3,100.00		3,100.00	3,100.00 (100%)
25	Remembrance Service				4,500.00		4,500.00	4,500.00 (100%)
26	Community events				1,150.00	190.00	960.00	960.00 (83%)
49	Small Grant Scheme				100.00		100.00	100.00 (100%)
55	#QueenBee fund							(N/A)
58	Engagement and Promotion				3,300.00	927.92	2,372.08	2,372.08 (71%)
61	Civic events				2,600.00	1,726.55	873.45	873.45 (33%)
SUB TOTAL					32,950.00	5,181.03	27,768.97	27,768.97 (84%)

Environment & Recreation Co

Code	Title	Receipts			Payments			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
27	Ground Maintenance - General a				1,000.00		1,000.00	1,000.00 (100%)
28	Ground Maintenance- supplier				15,000.00	3,156.25	11,843.75	11,843.75 (78%)
29	Vine Tree Play area - mainten				1,000.00	15.00	985.00	985.00 (98%)
30	Vine Tree Play Area - Inspection				400.00		400.00	400.00 (100%)
31	Allotment fee	720.00	275.00	-445.00				-445.00 (-61%)
32	Allotment maintenance cost							(N/A)
52	Defibrillator and kiosk				800.00		800.00	800.00 (100%)
54	CIL - Community Infrastructure L							(N/A)
62	New Planters				1,500.00		1,500.00	1,500.00 (100%)
SUB TOTAL		720.00	275.00	-445.00	19,700.00	3,171.25	16,528.75	16,083.75 (78%)

Finance & Strategy Committee

Code	Title	Receipts			Payments			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
3	Staff Expenses				150.00		150.00	150.00 (100%)
4	Stationary				500.00	100.48	399.52	399.52 (79%)
5	Accountancy software				750.00		750.00	750.00 (100%)
6	ICT equipment				750.00	232.77	517.23	517.23 (68%)
9	Audit Fees				1,000.00		1,000.00	1,000.00 (100%)
10	Insurance				3,300.00		3,300.00	3,300.00 (100%)
11	Legal and professional fee				1,500.00	515.00	985.00	985.00 (65%)
12	Subscription (adobe/office/Chalc				4,000.00	1,519.19	2,480.81	2,480.81 (62%)
13	Telephone				743.40	158.74	584.66	584.66 (78%)
14	Website subscription				2,400.00	525.00	1,875.00	1,875.00 (78%)
15	Website transparency				500.00		500.00	500.00 (100%)
16	Misc/Expenses				1,000.00	10.78	989.22	989.22 (98%)
17	Precept	179,592.36	89,796.00	-89,796.36				-89,796.36 (-50%)
18	VAT reclaim							(N/A)
19	Other income							(N/A)

Shavington-cum-Gresty Parish Council

14 June 2023 (2023-2024)

Summary of Receipts and Payments

All Cost Centres and Codes

53 Acquisition projects				4,000.00		4,000.00	4,000.00 (100%)
59 Office costs				6,000.00		6,000.00	6,000.00 (100%)
SUB TOTAL	179,592.36	89,796.00	-89,796.36	26,593.40	3,061.96	23,531.44	-66,264.92 (-32%)

Parish Council Project

Code	Title	Receipts			Payments			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
51	PCSO funding				37,958.00		37,958.00	37,958.00 (100%)
63	NEW! Notice board Shavington f		4,414.80	4,414.80	4,834.80		4,834.80	9,249.60 (191%)
SUB TOTAL			4,414.80	4,414.80	42,792.80		42,792.80	47,207.60 (110%)

Staffing Committee

Code	Title	Receipts			Payments			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
1	Staff Salary				74,000.00	17,000.58	56,999.42	56,999.42 (77%)
2	Payroll Service				800.00	136.50	663.50	663.50 (82%)
7	Staff Training				1,000.00		1,000.00	1,000.00 (100%)
8	Members Training				300.00		300.00	300.00 (100%)
SUB TOTAL					76,100.00	17,137.08	58,962.92	58,962.92 (77%)

Village Hall Committee

Code	Title	Receipts			Payments			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
33	Suppliers				300.00	14.17	285.83	285.83 (95%)
34	Cleaning Service				5,100.00	1,216.00	3,884.00	3,884.00 (76%)
35	Gas supply				4,450.00		4,450.00	4,450.00 (100%)
36	Power supply				1,500.00	121.00	1,379.00	1,379.00 (91%)
37	Fire equipment				300.00		300.00	300.00 (100%)
39	Online booking system				300.00	24.09	275.91	275.91 (91%)
40	Hygiene service				700.00	567.24	132.76	132.76 (18%)
41	Water supply				3,000.00	376.28	2,623.72	2,623.72 (87%)
42	Waste collection				1,680.00	73.06	1,606.94	1,606.94 (95%)
43	PPS/PRS				250.00		250.00	250.00 (100%)
47	General Maintenance				1,500.00	110.00	1,390.00	1,390.00 (92%)
48	Hall hire	13,500.00	2,525.48	-10,974.52		1.00	-1.00	-10,975.52 (-81%)
60	Office costs income	6,000.00		-6,000.00				-6,000.00 (-100%)
SUB TOTAL		19,500.00	2,525.48	-16,974.52	19,080.00	2,502.84	16,577.16	-397.36 (-1%)

Summary

NET TOTAL	199,812.36	97,011.28	-102,801.08	217,216.20	31,054.16	186,162.04	83,360.96 (19%)
V.A.T.		2,372.27			1,316.03		
GROSS TOTAL		99,383.55			32,370.19		



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Report Statement

Meeting: Finance and Strategy Committee,
Report Purpose: To provide the Internal Auditor Report 2022/23 issued by JDH Business Services Limited
Version Control: v0
Author: Clerk

1. Report Summary

The report presents the IA report for 2022/23

2. Position

Members are asked to note the IA report for 2022/23 and related recommendations to be implemented.

3. Governance

ScG Parish Council Standing Order
LGA 1972
ScG Finance Regulation
Local Audit & Accountability Act 2014
Accounts & Audit Regulations 2015

4. Financial Impact

None

5. Resource Impact

None

6. Wards Affected

All

7. Conclusions

To note the IA report

INTERNAL AUDIT REPORT
SHAVINGTON-CUM-GRESTY PARISH COUNCIL
2022/23

The internal audit was carried out by undertaking the following tests 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

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. The recommendations included in the action plan should to be implemented promptly.

JDH Business Services Limited

INTERNAL AUDIT REPORT
SHAVINGTON-CUM-GRESTY PARISH COUNCIL
2022/23

	ISSUE	RECOMMENDATION	FOLLOW UP
1	Annual pay rises are notified to the payroll agent via an email from officers.	<i>The Chair should either email the annual officer pay rise information to the payroll agent, or a scanned letter from the Chair should be sent to the agent confirming the annual officer pay rises.</i>	
2	There is no current expenses policy in place covering officers and members	<i>The council should consider adopting an expenses policy that covers both officers and members.</i>	
3	Feedback to our internal audit governance questionnaire regarding Public Contract Regulations indicated no officers had received training in the requirements.	<i>The council need to ensure staff involved in procurement are aware of the requirements of the Public Contracts Regulations 2015 regarding publishing information about contract opportunities and awards, over certain value thresholds, on the Contracts Finder website. In addition, officers need to be aware that the Public Contracts (Amendment) Regulations 2022 came into force on 21 Dec 2022 (refer to Action Note PPN 01/23 Procurement Policy Note – update to legal and policy requirements to publish procurement information on Contracts Finder).</i>	

**INTERNAL AUDIT REPORT
SHAVINGTON-CUM-GRESTY PARISH COUNCIL
2022/23**

	ISSUE	RECOMMENDATION	FOLLOW UP
2021/22 internal audit			
1	<p>We were informed that the cleaning contract has been extended by reference to section 11.1 a iv of the Financial Regulations to exempt the contract from the standard procurement requirements of the Financial Regulations for contracts in excess of £3000 where three quotations are required.</p>	<p><i>The council should note that all contracts in excess of £3000 should be periodically subject to the market testing requirements of the Financial Regulations.</i></p>	<p>Implemented – market testing exercise carried out in 2022/23</p>
2	<p>The village hall prices are not published on the council website and there is no section on the website noting that there is a village hall for hire.</p> <p>Sample testing of income identified that the hire time, date, unit hire price and number of hires are frequently not included in the hire invoice so there is lack of audit trail from the booking schedules to the customer invoice. In addition, the lack of this information in a customer invoice makes it difficult for a customer with a number of hires to identify which hires they are paying for.</p>	<p><i>The village hall hire prices approved by council should be clearly published on the council website.</i></p> <p><i>Hire invoices should always include the hire time, date, unit hire price and number of hires so the customer is provided with the necessary information about their hire and there is a full audit trail from bookings to invoices issued</i></p>	<p>Implemented</p>

INTERNAL AUDIT REPORT
SHAVINGTON-CUM-GRESTY PARISH COUNCIL
2022/23

	ISSUE	RECOMMENDATION	FOLLOW UP
3	<p>The risk assessment does not address the risks of supplier fraud via appropriately robust policies and procedures. Examples of prevention actions include:</p> <ul style="list-style-type: none"> - training for staff to alert them to the potential risks of providing sensitive company information, by phone or other means, especially contract and account information. - establish a rigorous change of supplier details procedure - where a supplier has purported to have changed their bank details always call the supplier to check the veracity of a request, using details in your system, rather than those on any associated letter or email. A person should be authorised to approve a supplier bank account change after having reviewed the process undertaken to verify the supplier details change - periodic review of supplier accounts should also be undertaken to remove any dormant accounts. This reduces the likelihood of any old supplier information being used to secure fraudulent payments. - checking address and financial health details with Companies House - checking samples of online payments to 	<p><i>The risk assessment should be updated to include supplier fraud including the adequacy of supplier onboarding controls.</i></p>	<p>Implemented</p>

**INTERNAL AUDIT REPORT
SHAVINGTON-CUM-GRESTY PARISH COUNCIL
2022/23**

	ISSUE	RECOMMENDATION	FOLLOW UP
	supplier invoices to ensure the payment has been made to the supplier bank account		
2020/21 internal audit			
1	The 2019/20 accounts comparatives in the 2020/21 AGAR are incorrect. £21,217 has been disclosed as staff costs instead of £20,217. In addition, a number of rounding changes have been made.	<i>The 2019/20 accounts which were certified by the external auditor must be disclosed accurately in the 2020/21 AGAR.</i>	Implemented
2	The cash book was balanced to the incorrect bank statement date in the year end bank reconciliation. The statement balance as at March 29 th 2021 was used which resulted in a number of cheques being disclosed as 'unpresented' in the bank reconciliation when in fact they had cleared the bank account by March 31 st , 2021.	<i>The year end bank statement balance must be used in the year end bank reconciliation.</i>	Implemented
3	The council did not comply with Regulation 15 of the Accounts and Audit Regulations 2015 as amended by SI 2020/404 the Accounts and Audit (Coronavirus) (Amendment) Regulations 2020 as it failed to make proper provision for the exercise of public rights for the 2019/20 accounts. The public notice inspection period covered a 29	<i>The council must comply with the requirements of the Accounts and Audit Regulations 2015 with respect to the notice for the exercise of public rights.</i>	Implemented

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	ISSUE	RECOMMENDATION	FOLLOW UP
	working day period instead of 30 days as no account was taken of the fact that August 31 st 2020 was a bank holiday.		
4	The VAT return produced by the SCRIBE system contains no supplier VAT registration numbers. No VAT reclaims were received in the year.	<i>VAT must be reclaimed on a timely basis. The VAT return needs to be populated with all supplier VAT registration numbers before submission to HMRC.</i>	Implemented
5	Two laptops were purchased during the year but had not been added to the fixed asset register.	<i>The council must ensure that all capital additions during the year are identified and recorded in the fixed assets register.</i>	No issues identified in 2021/22 fixed asset testing.
2019/20 internal audit			
1	The initial budget setting process for 2019/20 failed to take account of the full year projected PCSO costs resulting in a shortfall in the initial budget of £13000.	<i>The budgeting process that underpins the setting of the precept must be improved to take account of all known expenditure.</i>	Implemented
2	A £3000 transfer between bank accounts had incorrectly been included in payments in the AGAR annual return accounts. Therefore, the year end balances and other payments were incorrectly stated.	<i>The Other Payments figure in the Annual Return should be reduced by £3000 and the year end balances. The year end balances should equate to £58977 (rounded).</i>	Implemented

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	ISSUE	RECOMMENDATION	FOLLOW UP
3	The council did not comply with Regulation 15 of the Account and Audit Regulations 2015 as it failed to make proper provision for the exercise of public rights in Summer 2019 for the 2018/19 accounts as the approval date of the accounts in the AGAR annual return was after the start date of the period for the exercise of public rights.	<i>The council must ensure that it makes proper provision for the exercise of public rights for every financial year</i>	See 2020/21 internal audit
4	<p>We reported in 2018/19 that Minute 289 of the March 2019 meeting appeared to delegate various authorities relating to the village hall to a single member, which includes the ability to commit the council to expenditure and to make decisions for the council. The council resolved in 2019/20 that these functions would revert to the clerk, however, from review of the 2019/20 records it appears that councillors have undertaken roles in hall administration and committed the council to expenditure for the hall.</p> <p>Under s101 (1), (5) and (6) of the Local Government Act 1972 a parish council may arrange for any of its functions to be discharged by a committee, sub-committee or officer. S101 does not permit the council to delegate its functions to a single member.</p>	<p>RECURRING RECOMMENDATION <i>The council need to resolve this situation urgently and ensure functions are delegated only to a committee, sub-committee or an officer and that no councillor commits to council to orders or contracts for expenditure.</i></p>	The council clerk has confirmed individual councillors can no longer commit the council to expenditure

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	ISSUE	RECOMMENDATION	FOLLOW UP
	Therefore, the council may be currently operating in breach of the Local Government Act 1972.		
5	Income systems for the village hall could not be tested as no supporting documentation such as diaries/booking forms/invoices and receipts were provided. The clerk had requested the items from the councillor managing the bookings system but these had not been received at the date of the internal audit. It is likely that the pandemic and subsequent lockdown has impacted on the clerk ability to secure all the income information required	<i>The council need to urgently re-establish effective internal controls over hall hire and ensure all hall hire documentation is retained and made available for internal audit.</i>	Implemented
6	The fixed asset register value is incorrect as it does not cast correctly. An asset purchased in 2019/20 has been added, but the register is maintained as a WORD document rather than a spreadsheet so the total has not changed. In addition, there is a statement on the asset register about a recommendation from internal audit from 2017/18 that was never actually made. Finally, the clerk having corrected the final 2018/19 asset register disclosure on the AGAR annual return, has this year made the same error	<i>The fixed asset register should equate to last year's figure from the AGAR annual return plus the one addition in the year. Therefore, the register needs to be amended and the Annual Return disclosure.</i> <i>The invalid statement about internal audit recommendations from 2017/18 must be removed from the asset register.</i> <i>The asset register should be maintained</i>	Implemented, however, see 2020/21 issues

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	again and included a recent valuation figure(s) for assets.	<p><i>as an excel spreadsheet.</i></p> <p><i>The Practitioners' Guide requires that assets should be valued at purchase cost or an insurance proxy if that isn't known (that doesn't change over time), therefore, the only movement in fixed assets each year should be for additions and disposals and all additions should be at purchase price.</i></p> <p><i>The Council need to review the asset register and disclose the correct value in the AGAR Annual Return which should equate to the value for fixed assets disclosed in the 2018/19 AGAR annual return plus additions at cost less disposals at cost.</i></p>	
7	The information provided for internal audit indicated that VAT had not been reclaimed on Direct Debits. The material VAT issue raised in 2018/19 has still not been addressed.	<p><i>VAT on Direct Debits should be separately analysed and reclaimed</i></p> <p><i>Issue 4 of the 2018/19 report relating to VAT and partial exemption must be addressed.</i></p>	<p>Recommendation Outstanding</p> <p>2021/22 follow up – VAT returns include VAT reclaimed on Direct Debits</p>
8	Sample testing identified an expenses claim for £189.97 from a councillor with no	<i>Expenditure invoices/vouchers must be provided for all expense claims. VAT</i>	No further expenses issues identified in 2020/21

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	receipts provided.	<i>cannot be reclaimed on standard rated expenditure that is not supported by a VAT invoice.</i>	
9	We raised a number of important issues last year but most have not been addressed.	<i>The council should urgently review all issues from 2018/19 internal audit and the 2019/20 internal audit and take prompt action to implement the recommendations.</i>	See internal audit issues below
2018/19 internal audit			
1	<p>A budget of £180595 has been set for 2019/20 to be financed by £129000 precept and the remainder from the entirety of forecast general reserves at the end of 2018/19. This approach to the 2019/20 budget would potentially either level the council with a critically low level of reserves, or no reserves so that any overspend could mean the council running at a deficit in funds.</p> <p>Therefore, the budget set for the 2019/20 financial year does not take into account of 'an amount that the council estimates will be</p>	<p><i>The council should urgently improve budgetary control and budget setting:</i></p> <ul style="list-style-type: none"> <i>The Council should review their budget analysis and ensure that they can balance the budget for 2019/20. The items in particular that need to be reviewed are the £10000 unallocated sum and the £20000 budget for a purchase of parcel of land. These two budgets may be needed instead to ensure general cash reserves are in place at the year end.</i> 	<p>See 2019/20 issues.</p> <p>2020/21 follow up - implemented</p>

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	<p><i>appropriate to meet future estimated expenditure</i>’ (ie to hold in reserves). This is a requirement of the Local Government Finance Act 1992.</p>	<ul style="list-style-type: none"> • <i>The council must ensure that they are carrying an adequate general reserve. Sector guidance is that this should be between 3 and 12 months of the precept level</i> • <i>Budgetary control reports detailing spend to date against budget should be regularly reported during 2019/20</i> 	
2	<p>Minute 289 of the March 2019 meeting appears to delegate various authorities relating to the village hall to a single member, which includes the ability to commit the council to expenditure and to make decisions for the council.</p> <p>Under s101 (1), (5) and (6) of the Local Government Act 1972 a parish council may arrange for any of its functions to be discharged by a committee, sub-committee or officer. S101 does not permit the council to delegate its functions to a single member. Therefore, the council may be currently operating in breach of the Local Government Act 1972.</p>	<p><i>The council need to resolve this situation urgently and ensure the functions listed in minute 289 are delegated only to a committee, sub-committee or an officer.</i></p>	<p>Recommendation outstanding – see 2019/20 issues.</p> <p>2020/21 follow up – council clerk has confirmed individual councillors can no longer commit the council to expenditure</p>

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	ISSUE	RECOMMENDATION	FOLLOW UP
3	Income systems for the village hall could not be tested as there was no audit trail from diaries to booking forms to invoices and to bankings. We could identify no booking forms, invoices, booking diaries or price lists. We understand that bookings were maintained on a personal computer by a councillor but that this information is not now available. The clerk has carried out an exercise to record all entries in the receipt books (total £3740) and to match with actual deposits into the bank (£3425), but this differs by £315.	<p><i>The council need to urgently re-establish effective internal controls over hall hire and ensure all hall hire documentation is retained and made available for internal audit.</i></p> <p><i>The council should investigate the shortfall in hall hire bankings of £315.</i></p>	<p>Recommendation outstanding – see 2019/20 issues.</p> <p>2020/21 follow up - implemented</p>
4	We previously recommended that the council should secure VAT advice on the impacts of the significant works to the town hall on the amount of VAT that can be reclaimed, due to the £7500 partial exemption threshold. No VAT specialist advice has been secured and no VAT reclaim has been submitted for 2018/19 nor any received during 2018/19 relating to previous periods.	<p><i>The council need to urgently secure guidance from the SLCC VAT advice function to determine to what extent the VAT incurred on the village hall can be reclaimed. A VAT reclaim then need to be submitted promptly as the VAT will be needed to contribute to the cash reserves in 2019/20.</i></p>	<p>Recommendation outstanding – see 2019/20 issues</p>
5	The council have revalued the village hall and reflected the new value in the fixed asset register.	<p><i>The Practitioners' Guide requires that assets should be valued at purchase cost or an insurance proxy if that isn't known</i></p>	<p>See 2019/20 issues</p>

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		<p><i>(that doesn't change over time), therefore, the only movement in fixed assets each year should be for additions and disposals and all additions should be at purchase price.</i></p> <p><i>The Council need to review the asset register and disclose the correct value in the AGAR Annual Return which should equate to the value for fixed assets disclosed in the 2018/19 AGAR annual return plus additions at cost less disposals at cost.</i></p>	
6	<p>S137 payments are recorded in the minutes but there is no separate analysis in the cash book so the cumulative level of S137 can be recorded against statutory limits.</p>	<p><i>A separate analysis of S137 payments should be maintained in the cash book.</i></p>	<p>Recommendation outstanding .</p> <p>2020/21 follow up – clerk has identified the s137 payments</p>



Report Statement

Meeting:	Finance & Strategy Committee
Report Purpose:	To present an update with regards to the Speed Device Indicator in Crewe Road
Version Control:	v1
Author:	Clerk

1. Report Summary

The report provides an update with regard to the SID in Crewe Road.

2. Background

In 2017 the Parish Council bought a Speed Indicator Device (SID) to be placed in Crewe Road. The cost of the device was £4,180.

Late in 2022, following issues with the malfunctioning of the device, an engineer from TWM (the provider of the device) was contracted to undertake a site visit and to report on the device (£150 +VAT).

The engineer reported that the solar panel and the battery were both working and in fine condition. However, all aspects of the signs were not functioning (display, radar, Bluetooth) and it was not working state. The engineer advised that the sign was past the economical repair state and that replacing the whole sign was the best solution.

The replacement costs would be in a range of £5k-£6k.

The Parish Council also own a Speed Gun used by volunteers and PCSO.

3. Position

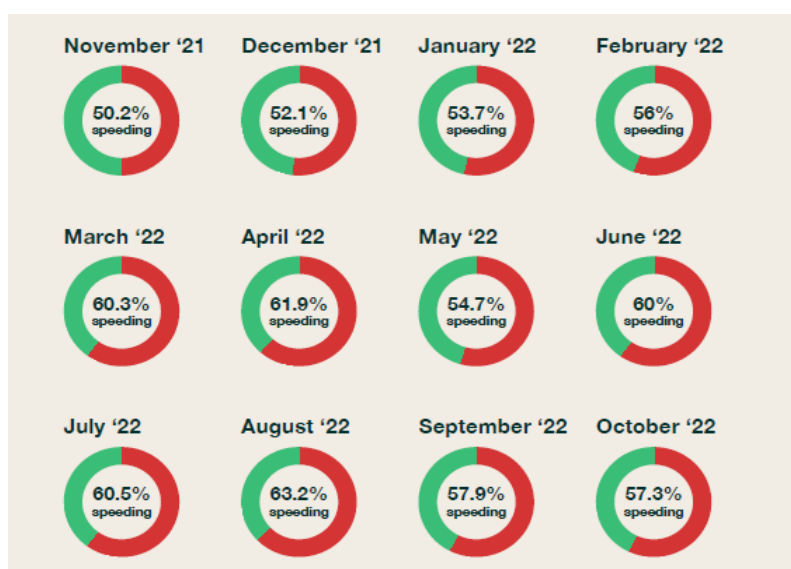
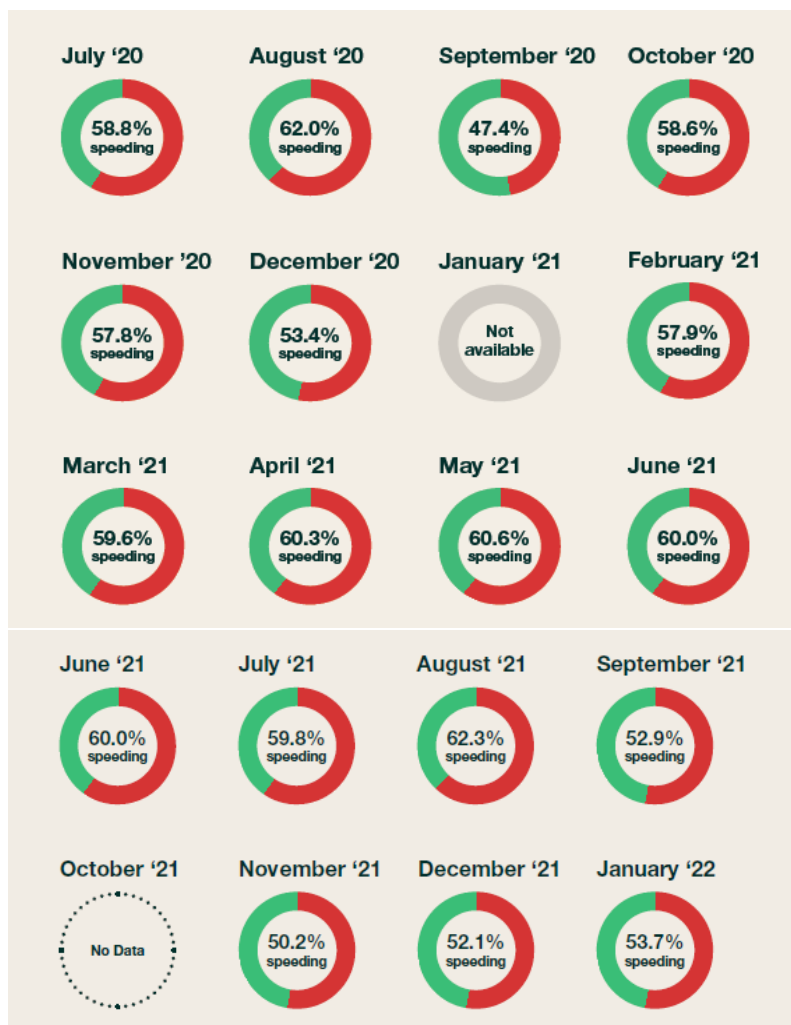
The Parish Council currently doesn't have a budget to replace the SID in Crewe Road. There are however options for the Committee to consider:

- a. A virement from another cost code (53. Acquisition project £4k)
- b. Allocation of a budget toward the project from reserve
- c. Include the budget for the replacement of the SID in the Parish Council budget 2024/25

The SID is intended to be an educational tool, and data downloaded are used to inform Councillors and residents and monitor speeding issue in Crewe Road. Below some stats from July 2020 to October 2022



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Data shows that over a period of over 2 years, speeding issue hasn't improved, and it is still an element of concern.

Questions can be raised in term of ROI of the device and its effectiveness as educational tool.



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GRESTY

And considerations should be made on whether other tools might be more effective to reduce speed in this area, such:

- a. Support the establishment of a Community SpeedWatch group.
- b. Support awareness campaigns (such 'It is 30 for a reason', 'THINK' 'It is never just a little bit'...).
- c. Work with police for stronger enforcement of the speed limit in the area.

4. Community Impact

Data shown that speed is an issue that needs to be addressed for the benefit of the community.

5. Governance

Shavington-cum-Gresty Parish Council Finance Regulation

6. Financial Impact

Up to £6,000 (replacement of SID) or to be identified if any of the solutions listed is explored

7. Resource Impact

Clerk and Communication Manager time

8. Conclusions

Members are asked to note the report and to:

- a. recommend to full Council to progress with the replacement of the SID and identify a budget for it;
- b. recommend to full Council to explore other initiatives to tackle speed issues in the parish, and identify a budget to progress with this and a committee to lead the initiatives;
- c. not progress with any action.