

Wybunbury Parish Council
Internal Controls Committee

14th October 2024

Commenced: 6.30 pm **Terminated:** 7.30 pm

Present: Councillor Howcroft (Chair)
Councillors Ellison-Jones (ex-officio), Guilliard and Thomas

There was 1 member of the public in attendance.

1. APOLOGIES FOR ABSENCE

Councillor Pike submitted his apologies for absence.

2. DECLARATIONS OF INTEREST

There were no declarations of interest received from Members of the Committee.

3. MINUTES

The Minutes of the proceedings of the Meeting of the Internal Controls Committee held on 8th April 2024 were approved as a correct record and signed by the Chair.

4. CONCLUSION OF EXTERNAL AUDIT

Members noted that the Clerk had uploaded the following documents onto the website, as requested by the External Auditor, and considered their content:-

Notice of Conclusion of External Audit
AGAR Section 1 – Annual governance Statement
AGAR Section 2 – Accounting Statement
AGAR Section 3 – External Auditor's Report

RESOLVED

That the documents detailed above, be received.

5. ACTION PLAN 2024-2025

Members considered whether the Parish Council had met the Actions identified in the Action Plan based on the findings of the External Auditor.

RECOMMENDED

- (i) That the Action Plan as appended to these Minutes be approved**
- (ii) That the Councillor with the outstanding Register of Interests Form be reminded to update the form.**

6. BUDGET 2025-2026

The Committee considered the Budget for 2025-2026 and Members made recommendations for the funding allocation of Budget Heads.

Particular reference was made to the following existing Budget Heads:-

Member Expenses and the Chair's Allowance – Members to consider personal implications;
Village Hall Insurance – this would be paid by the Village Hall Committee, under the terms of the lease agreement;
Plants and Maintenance – costings were required from Councillor Cheshire;
Grasscutting – this Budget Heading was not required and funding should be reallocated to a Contingency Budget Head;

Village Maintenance – this Budget Heading was not required and funding should be reallocated to a Contingency Budget Head;
Neighbourhood Plan – Councillor Clowes to be asked whether this Budget Head was required;
Bunting – costings were required from Councillor Clark;
Bus Shelter – costings and a detailed business plan was required from Councillor Pike;
Sally Clarke's Lane Project – this required further consideration;

RECOMMENDED

That the Clerk updates the Draft Budget 2025-2026 as agreed by the Committee, and submits it for consideration to the next meeting of the Parish Council to be held on 11th November 2024.

7. URGENT ITEMS

There were no items that the Chair was of the opinion required consideration as a matter of urgency.

REVIEW OF 2023-2024 AND ACTION PLAN FOR 2024-2025

MID-TERM REVIEW 14TH OCTOBER 2024

Statement	REVIEW 2023-2024	
1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements	During 2023-2024, there were periods when effective financial management and the preparation of the accounting statements was insufficient.	
	ACTION 2024-2025	ACTION MET
	1. The Budget Expenditure is to be considered at every meeting of the Parish Council.	YES
	2. Bank reconciliations to be considered at every meeting.	YES
	3. The Parish Council to use (for its daily operational transactions) a more efficient and effective bank account with Unity Trust Bank which is multi layered to enable transparency and security.	YES
	4. An Internal Controls Committee will be responsible for scrutinising the finance and governance of the Parish Council.	YES
2. We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness	REVIEW 2023-2024	
	1. There have not been sufficient internal controls during 2023-2024.	
	2. Procedures for Member Interests have not been adequately followed and have been ineffective.	
	3. Some signatories on the Royal Bank of Scotland bank account have been difficult to engage.	
	4. The Councillor Code of Conduct has not been adhered, and there have been times of inappropriate behaviour by Members.	

	ACTION 2024-2025	ACTION MET
	1. The Clerk and Responsible Financial Officer to produce Budget and Finance reports at every meeting of the Parish Council.	YES
	2. Following training, Members are aware of the procedures they must follow, if they have a Registerable or non-Registerable Interest.	YES
	3. The financial transactions taking place in the new bank account together with the day to day balance can be viewed by all signatories.	YES
3. We took all reasonable steps to assure ourselves that there are no matters of actual or potential noncompliance with laws,	REVIEW 2023-2024	
	1. There have been several causes of concern during 2023-2024 over potential non-compliance with laws, regulations and Proper Practices.	

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	2. Particularly, the Financial Regulations and Standing Orders were significantly out of date, and were not updated until the latter part of the year.	
	ACTION 2024-2025	ACTION MET
	1. The Financial Regulations to be reviewed annually, commencing in May 2024.	July 2024
	2. The Standing Orders to be reviewed annually. Commencing in May 2024.	September 2024
	3. All Members to complete Declaration of Interest forms annually.	NO (One Councillor outstanding)
	4. The Councillor Code of Conduct was adopted in January 2024 and will be reviewed annually, commencing in May 2024.	August 2024

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.	REVIEW 2023-2024	
	1. In relation to the proper opportunity for the exercise of electors' rights for the 2022-2023 Audit, Wybunbury Parish Council did not comply with Regulation 15 of the Accounts and Audit Regulations 2015. It failed to make proper provision during the year 2023/24 for the exercise of public rights for the 2022-2023 accounts, since the approval date was after the start of the period for the exercise of public rights.	
	ACTION 2024-2025	ACTION MET
	1. The Parish Council intends to publish the start of the period of the exercise of public rights before the 3 rd July 2024.	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.	REVIEW 2023-2024	
	1. The Standing Orders and Financial Regulations have been reviewed and adopted. 2. The Cheshire East Councillor Code of Conduct has been adopted. Individual members have been advised on matters relating to their responsibilities relating to their Interests. 3. The Risk Assessment has been updated and approved. 4. The Asset Register has been updated and approved. 5. The Village Hall insurance policy has been reviewed and arrangements have been made to update any	
	physical areas requiring improvements, to meet the terms of the Insurance Policy. 6. Members have attended training with CHALC Chief Executive, Jackie Weaver. 7. A new banking system has been adopted with the Unity Trust Bank.	

	ACTION 2024-2025	ACTION MET
	1. Members to update their Register of Interest forms annually 2. All policies and assessments to be reviewed and updated (if necessary) annually.	One Councillor outstanding YES
6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.	REVIEW 2023-2024	
	1. Adequate internal controls were not maintained during 2023-2024 as the Parish Council was subject to a period of considerable instability 2. Inadequate controls related to record keeping and governance.	
	ACTION 2024-2025	ACTION MET
	1. An Internal Controls Committee has been established to review existing procedures 2. All matters relating to the Parish Council to be maintained electronically, and stored on the 'Cloud', so that inspections can be made promptly when required	YES YES
7. We took appropriate action on all matters raised in reports from internal and external audit.	REVIEW 2023-2024	
	1. The Internal Audit was not sufficiently robust and all areas of responsibility of the Parish Council were not considered	
	ACTION 2024-2025	ACTION MET
	1. The Parish Council has appointed an experienced Internal Auditor who is a qualified accountant.	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 authority and, where appropriate, have included them in the accounting statements.	REVIEW 2023-2024	
	1. The Parish Council did not consider any of these points 2. Due to the periods of instability, there were limited records of events and transactions yet these could impact on liabilities 3. Decisions and actions taken by individual Councillors who did not follow appropriate protocols were not always challenged. 4. A number of actions taken left the Parish Council open to challenge and litigation	

	ACTION 2024-2025	ACTION MET
	1. Standing Orders and Financial Regulations to be followed	YES
	2. CHALC Membership to be maintained to enable personalised advice when necessary	YES
	3. Training opportunities to be available at all times to the Clerk and Members	YES