

Recommendation 1: The Council should, as soon as practicably possible, review and up-date its General Reserve Policy, to reflect a level appropriate to the size and circumstances of the Town Council and to take account of current best practice prescribed by the Joint Panel on Accountability and Governance (JPAG) with regard to a minimum level of a General Reserve.

The Reserves Policy was set, as an aspiration, in the early days of the Council when it started with no reserves, at no less than four months to be established over its initial years. The Council is now in a position that it has achieved this relatively modest reserve and surplus that can provide a much-needed investment in its assets through reallocation to earmarked reserves. Now that the Council has progressed a more appropriate earmarked reserves position, it is recommended that Finance and Governance Committee review the general reserves in this respect with a view to maintenance of general reserves at a more suitable level of not less than six month's precept for an established Council with a large asset portfolio and significant risks and liabilities. It is recognised that this will provide particular difficulties in the current economic climate but that does not prevent the Council setting this position as an appropriate aspiration.

Recommendation 2: There are some outstanding issues to be resolved regarding ensuring that the Council's Payroll is administered efficiently and effectively by the Service Provider and that all legal requirements are being adhered to in relation to the processing of the Council's personal data. It is recommended that these outstanding issues should be resolved as soon as practicably possible during the 2020/21 year.

There is one potential discrepancy relating to an HMRC payment which it is hoped will be resolved within the next two weeks. The RFO met with the payroll provider and a direct letter of engagement has been provided which formalises the fact that payroll management is directly through them as opposed to the umbrella organisation which administers the invoicing for the service. A review of payroll services and provider will be taking place and will be taken to Finance and Governance Committee.

Recommendation 3. The Council should consider opening a separate bank account for the Arnold Bequest Charity, in accordance with the JPAG best practice, in order that the Trust Funds are clearly and separately identified for future generations.

This is in hand and being taken to the meeting of Arnolds Bequest on 27 October 2020.