

payments should be considered and approved in open session and it appears to be an oversight of not removing this from the template. The RFO has committed to adjusting this immediately.

2.3 **Precept** - When considering the precept the Council should not be choosing a percentage increase on an arbitrary basis as appears to have been done. If the budget is such that it is contained within the precept figure but the Council wishes to put an increase on for inflation, as some of the budget lines may have been estimates, this should be clearly explained and a calculated figure that the Council needs to operate should be derived and approved by Council eg The Council resolved to demand a precept of £135,340. This reduces the risk of the Council not receiving enough if the Council Tax Base were to be altered after the Council has set its precept.

2.4 **HR Committee** – in reading the Terms of Reference for this Committee I noted that it states that the agenda is determined by the Chair and Vice-Chair of the Committee. This is not correct practice – all agendas belong to the Clerk and they determine what goes before the Committee. This is usually in consultation with the Chair but is not required. Particularly with the HR Committee it is important that all Councillors sitting on it are properly trained in HR procedures and most significantly in what the consequences are of ‘doing HR wrong’. The Terms of Reference seem to imply that the Clerk would not be at every meeting and this is a high risk approach to take. It is the Clerk’s duty as the professional advisor to the Council to be in attendance at such meetings to ensure that the Committee is acting along lawful and best practice lines.

2.5 The level of risk here increases further where the Chair and Vice-Chair are granted access to the information on the office computers and have relevant passwords to access said information remotely. This is a blurring of lines and the Council should reconsider this approach immediately. Councillors are not entitled to know and see everything, it is the Clerk’s role to determine what Councillors need access to in order to perform their role. Uncontrolled access to the Councils information systems and personal data is incorrect practice and could potentially be a breach of the Data Protection Act, depending on what they have access to. It is not clear if there is control over when systems are accessed either.

2.6 Finally, Councillors are not able to act as individuals and therefore cannot be appointed as the Town Clerk’s line manager. A small committee of 3 can be appointed in order to conduct the Clerk’s appraisal but no one is meant to be directing or overseeing her day to day work. As the Council’s Chief Executive Officer the Clerk should be more than capable of managing their own workload and reporting back to Council/committee on progress/issues as necessary. Whilst it seems that everyone is trying to be supportive, which is to be commended, the blurring of lines between operations and decision making needs to be corrected. Performance can easily be managed through monitoring

of work that comes through Council and Committees. Any perceived issues should be flagged up in private and through the appropriate HR channels.

2.7 **Quotes** - Similarly, Councillors have been obtaining quotes for projects, which, whilst having been passed through the Clerk's office, again, is incorrect practice. I understand why this has been done, as it was a project which was unexpectedly deposited in the Town Council's lap but with the amount of money involved, if the Town Clerk's office did not have the capacity to manage the additional project work, the Council should have considered hiring a project manager to ensure professional impartial support for its objectives.

2.8 **Risk Register** - The RFO has indicated that there will be further work done on the Council's risk register. I noted that some of the mitigations are insufficient. A particular one which stood out was the risk of the loss of electronic records – the mitigation was to do as much business on paper as possible. Then, the risk of loss of paper records to fire - the mitigation is that all records are kept in the office. I would suggest that the Council revisit these particular risks and consider alternative mitigations which would be more effective – eg off-site cloud storage and use of the County Archives for old minute books/other important documents.

### 3.0 **Conclusion**

3.1 On the whole, the Town Council seems to be operating well and significant progress has been made in improving internal controls. The Town Clerk and RFO are both keen to ensure that things are done correctly and are clearly dedicated to learning about and implementing best practice as time allows.

3.2 It is pleasing to see that the Council has adopted new policies and procedures and implemented independent scrutiny and verification sign off by councillors of the bank reconciliations; particularly as it does not currently utilise dual authorisation on its current account.

3.3 For further development I would recommend that the Council consider using the NALC Local Council Award Scheme as a framework to ensure that it has all of the relevant policies and procedures in place.