

**Item - 3699**  
**Internal Report**  
**Updated work report**

| <b>Control area</b>  | <b>Issue</b>   | <b>Recommended Action</b>  |
|----------------------|--|--|
| Confidential minutes | The council has, by necessity had to use confidential minutes frequently. Great care should be taken to minimise their use where possible.   | The nature of the confidential business should always be outlined in the public minutes. Confidential minutes should never be used for contracts.  |
| General Reserves     | The reserves of the council are – and have been for the last 8 years – significantly below the guidance.   | The council should look at both income and expenditure to set a budget to bring general reserves towards 4 months of revenue expenditure (£160k)   |
| Earmarked reserves   | The council has insufficient funds to consider any new projects within the next year.<br>Earmarked reserves should always be for specific projects with defined values, time frames and reasons. | The council has in the past undertaken several unbudgeted capital projects.<br><br>Until reserves are replenished, day to day economies must be the priority                                       |
| Wages                | It is good practice to minute (confidentially) each year the total cost of wages by postholder, pay grade, pension cost etc.   | This should be done as part of the budget setting and forward planning.  |
| Bank balances        | All of the funds of the council are currently held in the current account, earning no interest.<br>Best practice is to hold only 3 months of revenue expenditure in the current account.         | The council should look at opening a deposit accounts, such as the Lloyds 32 day account, so that the longer term reserves produce a little income and the risk on the current account is reduced. |

**Confidential Items**

This is an ongoing issue

**General Reserves**

This should be considered when setting the budget

**Earmarked Reserves**

This should be considered when setting the budget

**Wages**

These were discussed and approved at the staffing committee for ratification at the January meeting

**Bank Balances**

This is being considered by the Finance Committee

|                        |  |   |
|------------------------|--|---|
| Grant application form | The current form used by the council is very long and does not include all of the information required by best practice.                         | Over the winter th council should review the form to improve clarity.   |
| Risk Assessment        | The risk assessment currently adopted by the council is unclear and does not follow best practice.   | A proforma has been supplied to the Clerk that should be reviewed and adopted in advance of the year end.   |
| Budget setting         | The officers have made excellent progress setting the budget up on the new software.<br>This should allow accurate and timely budget monitoring. | The draft budget presented by officers will now be based on fully up to date actuals and comparatives.<br>This should reduce any confusion about what the council has planned to do and what it can afford to do. |
| Accounting Software    | The council has successfully changed accounting systems as at 30 <sup>th</sup> September.<br>The transfer data has been checked.                 | For the purposes of year end reporting, please could RBS input the 31/3/17 comparatives into the system so that all I&E, Balance sheet, annual return and budget reports are complete.                            |

#### **Grant application Form**

Form reviewed as per recommendation and on the January agenda for adoption

#### **Risk Assessment**

Reviewed as per recommendation and on the January agenda for adoption

#### **Budget Setting**

Budget completed and on January agenda for adoption

#### **Accounting Software**

This work has been ordered due to recommendation by IA at a cost £350 plus VAT