

Responsible Financial Officer Reports (10-17)**10. RFO Report** - (for information – bank balances, receipt of precept)

- Bank balances - as at 31 August 2026 are as follows:

HSBC	29,127.80
Lloyds Debit card	207.30
Cornwall Council deposit	820,800.92
TOTAL	<u>£850,136.02</u>

- Precept – the second instalment of the precept totalling £495,146 was received on 7 September. Surplus funds have been transferred to the Cornwall Council deposit (maximum balance allowed £1 million) and a one month fixed term deposit of £250,000 with HSBC expiring 9 October 2026, to maximise interest.

11. Schedule of Payments - To receive and approve the schedule of payments**Attachment: 11. Schedule of Payments****Recommendation: to approve the schedule of payments totalling £64,671.05 gross****12. Budget Monitoring 2026/27** – To receive and accept a budget report to 31 July 2026 for monitoring purposes**Attachment: 12. Budget Monitoring to 31 July 2026**

On target spend should now be at 33.33%

The following points should be noted on the Administration (101) budget (other budgets monitored within the relevant committees):

- Training (4110) – this budget is already fully committed and will overspend. Further details will be brought back to Council when the requirement has been fully assessed

Recommendation: to approve the budget monitoring report**13. External Auditor Report and Certificate 2025/26** – To receive and accept the External Auditor Report and Certificate 2025/26**Attachment: 13. Certified Annual Governance & Accountability Return 2025/26 (Sections 1, 2 & 3)**

The external audit has been completed by BDO LLP who are the regulated and independent professional firm appointed with a statutory mandate to audit the council. In basic terms, the external auditors provide assurance to residents and the council that the council's finances are soundly managed, and the annual accounts present a true and fair view of the council's income and expenditure and its assets and liabilities. In their opinion, the

information in Sections 1 and 2 of the Annual Governance & Accountability Return is in accordance with Proper Practices and no other matters have come to their attention giving cause for concern.

As part of the audit process this year, they noted the Town Council record interest earned on its Cornwall Council deposit in the month it is earned, but as Cornwall Council now capitalise this at the beginning of the following month, the Town Council was asked to reflect this in its records and amend the original submission. This is noted under 'Other matters'.

In accordance with the Accounts and Audit Regulations 2015 the 'Notice of Conclusion of Audit' was published on our website on 28 August 2026, and the Council must ensure copies of the Annual Governance and Accountability Return remain available to the public for a period of at least 5 years.

Recommendation: To receive and accept the External Audit Report and Certificate

14. Employee Handbook – To approve the updated Employee Handbook, including Enhanced Adoption Pay and Adoption Support Leave in line with Green Book recommendations

Attachment: 14. Employee Handbook

The Employee handbook has been reviewed by Worknest our HR and employment law advisers. It includes changes to take account of new and updated legislation, and some sections have been reordered. The changes include:

- New section 1.3 Bribery
- Additions to section 1.4 Whistleblowing - updated to include new protections for disclosures involving sexual harassment
- New section 3.4 Infectious diseases in line with Green Book requirements
- Additions to section 3.4 to reflect changes to the qualifying conditions to receive statutory sick pay.
- Additions to section 3.5 Jury Service in line with Green Book requirements
- Additions to section 3.9 on carrying over annual leave in line with statutory rights
- New section in 4.2 Enhanced Maternity Pay in line with Green Book requirements
- Proposed new sections in 4.3 Enhanced Adoption Pay and Adoption Support Leave in line with Green Book recommendations:
 - *The Green Book recommends that employers introduce adoption leave schemes for employees adopting children and many employers extend their green book enhanced maternity scheme to apply to adoption.*
 - *The Green Book recommend that employers extend any Maternity Support Leave to apply to adoption.*
- Additions to section 4.4 Paternity Leave to reflect the legal changes from 6 April 2026
- New section 4.5 Bereaved Partner's Paternity Leave which reflects a new statutory right

- Additions to section 4.6 Parental Leave to reflect new day one rights
- New section 4.10 Neonatal Care Leave reflects statutory right
- Other minor updates

Recommendation - To approve the updated Employee Handbook

15. Artificial Intelligence (AI) Policy – To approve the new AI Policy
Attachment: 15. Artificial Intelligence Usage Policy

Background: AI tools are increasingly used to support drafting, research, communications, accessibility and productivity. Used appropriately, they can help the Council make better use of time and improve services to residents.

Reasons for introducing the policy: AI can assist council work, but clear safeguards are needed because outputs may be inaccurate, biased or inappropriate, and public AI systems can raise data protection, confidentiality, security, copyright and accountability concerns. The policy will provide a clear framework for safe, lawful and responsible AI use in council business. The policy supports efficiency and service delivery while managing risks around accuracy, bias, data protection, confidentiality, security, transparency and public trust.

Potential risks of AI: Key risks include inaccurate or fabricated outputs, bias, disclosure of personal or confidential information, copyright uncertainty, over-reliance on automation, lack of transparency, cyber security issues, reputational damage and loss of public confidence.

Implications: The policy supports responsible innovation while protecting data, confidentiality, legal compliance, equality duties, information security and public confidence. It confirms that AI may assist council work but must not replace human judgement or democratic accountability.

Councillor Taylor has assisted with the development of this policy.

Recommendation - To approve the new Artificial Intelligence (AI) Policy

16. Data Protection Complaints Policy – To approve the new Data Protection Complaints Policy
Attachment: 16. Data Protection Complaints Policy

Background: Under UK data protection law, organisations are now legally required to have a process in place for handling data protection complaints. This requirement took effect on 19 June 2026 following the Data (Use and Access) Act 2025, which amended the existing UK data protection framework. The Information Commissioner's Office has confirmed that all organisations must provide a clear way for people to raise data protection complaints, acknowledge complaints within 30 days, investigate appropriately and communicate the outcome without undue delay.

Why the Policy is Needed: Although the Council already has general complaints arrangements, a specific data protection complaints policy is required to ensure that complaints relating to personal data are handled consistently and in accordance with the new statutory requirements. The policy will help the Council demonstrate accountability under the UK GDPR and Data Protection Act 2018, provide transparency for residents and service users, and reduce the risk of matters escalating unnecessarily to the Information Commissioner's Office.

Recommendation - To approve the new Data Protection Complaints Policy

17. Criminal Records Checks policy - To approve the updated Criminal Records Checks Policy
Attachment: 17. Criminal Records Checks Policy

Background: The Council's Criminal Records Checks Policy has been reviewed to ensure it remains aligned with current safeguarding duties, DBS eligibility requirements and changes in Council activity. The review has also taken account of the increasing level of learning activity at Liskeard & District Museum and the need to make clear how the Council will assess roles connected with museum learning, volunteering and work experience placements.

Reasons for Revision: The museum's learning programme now involves a wider range of visits, workshops, handling sessions, talks and activities with children, young people, schools, families and community groups. The revised policy therefore includes a specific section for volunteers supporting this programme, so that roles are assessed consistently before activity begins and appropriate safeguards, supervision arrangements, induction and DBS checks are considered.

The revised policy also includes clearer wording on work experience placements. This recognises that placements must be planned in advance, risk assessed and supported by named supervision, while also making clear that the need for a DBS check depends on the nature of the role, the setting, the level of contact and any wider safeguarding considerations.

Key Changes:

- The DBS section now reflects the change from 1 September 2026, when the supervision exemption for relevant activity with children was removed. Roles involving teaching, training, instructing, caring for or supervising children may therefore be regulated activity where the frequency or overnight conditions are met, even if the person is supervised.
- New sections have been added for Liskeard & District Museum learning volunteers and work experience placements.

Implications: The revised policy provides a clearer framework for decision-making and record keeping. It does not require DBS checks for every volunteer or placement supervisor automatically, but it requires roles to be assessed against current eligibility guidance and

safeguarding risk. This approach supports legal compliance, protects children and adults at risk, and gives staff and volunteers clearer expectations.

Recommendation - To approve the updated Criminal Records Checks Policy