



# EPPING TOWN COUNCIL

EPPING HALL, ST JOHNS RD, EPPING, ESSEX CM16 5JU

Tel: 01992 579444 Fax: 01992 579446 e-mail: [info@eppingtowncouncil.gov.uk](mailto:info@eppingtowncouncil.gov.uk)

## TO ALL MEMBERS of the CORPORATE GOVERNANCE ADVISORY COMMITTEE (CGAC)

Cllr N Avey	(Chairman and Deputy Mayor)
Cllr A Church	(Town Mayor)
Cllr G Scruton	(Finance Key Member)
Cllr J A Smith	(Administration Key Member)
Beverley Rumsey	(Town Clerk) (Non-voting member)

You are hereby summoned to attend a meeting of the **CORPORATE GOVERNANCE ADVISORY COMMITTEE** to be held in the **Conference Room, Epping Hall, St Johns Road, Epping** on **Tuesday, 27th February 2018** at **8.15 pm** for the purpose of transacting the business as set out in the agenda below.

**Beverley Rumsey**  
**Town Clerk**  
**21st February 2018**

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## A G E N D A

### 1 APOLOGIES FOR ABSENCE

To receive any apologies and reasons for absence.

### 2 DECLARATIONS OF INTEREST

Members are invited to declare disclosable pecuniary interests and other interests, along with the nature of those interests, in relation to any item on this agenda.

### 3 DISPENSATIONS

To receive requests for dispensations from members concerning any item of business on this agenda.

### 4 PUBLIC PARTICIPATION – QUESTION TIME

The Chairman will invite public comments and responses in relation to items on this agenda. *Individuals will be permitted a maximum of three minutes each (total time for this session is limited to ten minutes).*

**5 CONFIRMATION OF MINUTES****(Attachment A)**

To approve as a correct record and sign the minutes of the meeting held on 24th October 2017.

**6 STATUS OF PREVIOUS RECOMMENDATIONS**

The following recommendations of the CGAC from their meeting on 28<sup>th</sup> October 2017 (Minutes #289–301 of 17/18) were adopted by Council at the Ordinary Council meeting on 14<sup>th</sup> November 2017 (Minute #324 of 17/18):

- (i) The Statement of Internal Control and Risk Management Statement, with the Town Clerk's amendments, should be **APPROVED** by Council;
- (ii) The Employee Handbook with the minor revisions should be **APPROVED** by Council;
- (iii) Epping Town Council should pay for items over the telephone, which are subject to the same 'below £500 value' as the online purchases and should be used under the Clerk or Finance Officer's instruction only. This account should be kept topped up to £500. If approved, Council's Financial Regulations should be updated accordingly;
- (iv) No further action was required regarding internal audit reports at this time;
- (v) No further action was required regarding the internal audit programme at this time;
- (vi) No further action was required regarding external audits at this time;
- (vii) No further action was required regarding the half-year financial position at this time;
- (viii) No further action was required regarding the General Data Protection Regulation until the audit results were received;
- (ix) No further action was required regarding staffing terms, conditions & pay scales at this time;
- (x) There were no further staffing matters to consider at this time.

**7 OUTSTANDING RECOMMENDATIONS****(i) Alternative pension providers**

At the Ordinary Council meeting on 13<sup>th</sup> December 2016 (Minute #378 of 2016/17), Council requested the Town Clerk look into possible alternative pension providers for new staff (with no change to the terms and conditions of any existing staff). The Town Clerk has made numerous enquiries to independent pension providers and it is proving difficult to obtain the alternative information. This will continue to be investigated as time allows.

Committee are requested to **NOTE** this information.

**8 CORPORATE GOVERNANCE DOCUMENT REVIEW**

Council **APPROVED** a review of policy and governance documents at the Ordinary Council meeting on 8<sup>th</sup> March 2016 (Minute #478 of 2015/16).

The list of policies for annual review and the dates for review are as follows:

Internal and External Audits: **February 2018** & October 2018 (Dealt with under items 11 & 12)

Internal Audit Programme: October 2018

Statement on Internal Control: October 2018

Insurance Inventory: **February 2018** (Dealt with under agenda item 21)

Asset Register: **February 2018** (Dealt with under agenda item 13)

Internal Risk Register: **February 2018** (Dealt with under agenda item 10)

Staffing Terms and Conditions: **February 2018** & October 2018 (Dealt with under item 23)

Standing Orders & Financial Regulations: **February 2018** (Dealt with under agenda item 9)

Employee Handbook: October 2018

Risk management statement: October 2018

Please note these are the current recommended review dates, but legislation may amend the dates if an earlier review is required.

Changing regulations and audit comments may add further items to this list.

The CGAC review process leads to recommendations to Council for amendments to documents to be made.

Committee are requested to **NOTE** the above information.

**9 STANDING ORDERS & FINANCIAL REGULATIONS (Attachments B & C)**

**Statutory Basis:** Local Government Act 1972, sch 12, para 42 ; Local Audit & Accountability Act 2014

There have been no **recommended** changes to the model Standing Orders (**Attachment B**) and Financial Regulations (**Attachment C**) in the past year. The Town Clerk has, however, made minor amendments to both documents to incorporate the forthcoming General Data Protection Regulation (GDPR) and the system of online/telephone payments **APPROVED** by full Council at the Ordinary Council meeting on 14<sup>th</sup> November 2017 (Minute #297 & #324 of 2017/18).

**RECOMMENDATION:** The revised Standing Orders and Financial Regulations should be RECOMMENDED for ADOPTION by Council.

**10 INTERNAL RISK REGISTER (Attachment D)**

**Statutory Basis:** Local Audit & Accountability Act 2014

The Internal Risk Register has been reviewed by the Town Clerk.

**RECOMMENDATION:** The revised Internal Risk Register should be recommended for ADOPTION by Council.

## 11 INTERNAL AUDIT REPORTS

(Attachment E)

**Statutory Basis:** Local Audit & Accountability Act 2014

Committee is requested to **NOTE** the first visit of the internal auditor was on the 27<sup>th</sup> and 28<sup>th</sup> November 2017. The second visit of the internal auditor will be on 6<sup>th</sup> March 2018, with a final visit later in the year.

The internal audit report (first interim) was **NOTED** at the Ordinary Council meeting on 14<sup>th</sup> November 2017 (Minute #354 of 2017/18). No further action was required at that time. The internal audit report (second/final) for the 2017/18 financial year will be reported to Council later in the year once the second audit and report has been completed.

Committee is requested to **NOTE** this information.

## 12 EXTERNAL AUDITS

**Statutory Basis:** Local Audit & Accountability Act 2014

At the Ordinary Council meeting on 8<sup>th</sup> March 2016 (Minute #475 of 2016/17), Epping Town Council resolved to 'opt in' to the External Audit arrangements (which was recommended in this sector) and whereby Council would be allocated an external auditor from 2017-2022.

The Town Clerk has been advised that the external auditor for 2017-2022 for Essex will remain as PKF Littlejohn LLP. The Town Clerk took place in a training webinar from PKF Littlejohn, prior to the new external audit process this year

Committee is requested to **NOTE** this information.

## 13 ASSET REGISTER

(Attachment F)

**Statutory Basis:** Local Audit & Accountability Act 2014

The current form of the Asset Register was ADOPTED following advice from Peter Lacey of NALC/SLCC and advice from the Audit Commission on 29<sup>th</sup> March 2010. It was reviewed by Council in October 2012 (Minutes #201 & #222 of 2012/13).

At the Ordinary Council meeting on 14<sup>th</sup> November 2017, Council RESOLVED to record individual items equal to or greater than £1000 in the Asset Register (Minute #537 (vi) of 2016/17).

**PLEASE NOTE:** The Asset Register records all individual items of £1000 or greater. Council have many assets whose value is less than £1000 and these are recorded in Council's inventories which are updated annually. This is standard practice.

There have been a number of acquisitions and disposals during 2017/18 which are reflected in the Asset Register 2018, as per **Attachment F**.

Committee is requested to **CONSIDER** the following RECOMMENDATIONS and make appropriate **RECOMMENDATIONS** to Council:

- (i) Council should continue to record assets as individual items with a value equal to or greater than £1000 in the Asset Register;
- (ii) The Asset Register 2018, as per **Attachment F**, should be APPROVED as a correct record of Council's assets at this time;
- (iii) Any revisions to the draft will be presented to full Council in March.

#### 14 DATA PROTECTION (GDPR) POLICY (Attachments G1 & G2)

The General Data Protection Regulation (Regulation (EU) 2016/679) comes into effect on 25<sup>th</sup> May 2018. Epping Town Council staff and councillors have been trained in the General Data Protection Regulation (GDPR) and the Town Clerk is working with our staff and IT support to ensure we are compliant. The legislation is still evolving and further information will be shared with Council as it is agreed and made available. Council's Data Protection Policy was approved on 8<sup>th</sup> March 2016 (Minute #478 of 2015/16) (**Attachment G1**) and has now been rewritten as a result of the new GDPR. This is a working draft that will be revised as more information on the GDPR is available. (**Attachment G2**).

The Town Clerk is working on a Privacy Statement for Epping Town Council and this will be brought to Council once completed (nearer to the May requirements).

**RECOMMENDATION:** The revised Data Protection (GDPR) Policy (working draft) (**Attachment G2**) should be RECOMMENDED as a policy of Council.

Committee is requested to **CONSIDER** this policy, determine any amendments, if necessary and **DECIDE** whether to RECOMMEND it as a policy of Epping Town Council.

#### 15 COMPLAINTS PROCEDURE (Attachment H)

Epping Town Council's complaints procedure was APPROVED on 10<sup>th</sup> January 2017 (Minute #405 of 2016/17) and is now due for review.

**RECOMMENDATION:** Epping Town Council's Complaints Procedure should be APPROVED as the Complaints Procedure for Epping Town Council, with no amendments.

Committee is requested to **CONSIDER** this RECOMMENDATION and **DECIDE** what to do.

**16 GRANT AWARDING POLICY (Attachment I)**

Epping Town Council's Grant Awarding Policy was APPROVED on 8<sup>th</sup> March 2016 (Minute #478 (iv) of 2015/16) and is now due for review.

**RECOMMENDATION:** Epping Town Council's Grant Awarding Policy should be APPROVED as the Grant Awarding Policy for Epping Town Council, with no amendments.

Committee is requested to **CONSIDER** this RECOMMENDATION and **DECIDE** what to do.

**17 PROCUREMENT POLICY (Attachment J)**

Epping Town Council's Procurement Policy was APPROVED on 8<sup>th</sup> March 2016 (Minute #478 (iv) of 2015/16) and is now due for review.

**RECOMMENDATION:** Epping Town Council's Procurement Policy should be APPROVED as the Procurement Policy for Epping Town Council, with no amendments.

**18 RECRUITMENT POLICY (Attachment K)**

Epping Town Council's Recruitment Policy was APPROVED on 8<sup>th</sup> March 2016 (Minute #478 (iv) of 2015/16) and is now due for review. The Town Clerk has amended the Policy to reflect the requirements of the General Data Protection Regulation (GDPR).

**RECOMMENDATION:** Epping Town Council's Recruitment Policy should be APPROVED as the Recruitment Policy for Epping Town Council, with the amendments highlighted.

**19 TRAINING & DEVELOPMENT STATEMENT (Attachment L)**

Epping Town Council's Training & Development Statement (**Attachment L**) was ADOPTED by Council at the Ordinary meeting on 8<sup>th</sup> March 2016 (Minute #478 (iv) of 2015/16) and is now due for review.

**RECOMMENDATION:** Epping Town Council's Training & Development Statement should be APPROVED as the Training & Development Statement for Epping Town Council, with the amendment highlighted.

**20 EXCLUSION OF PRESS AND PUBLIC**

To resolve that under the Public Bodies (Admission to Meetings) Act 1960, the public and representatives of the press and broadcast media be excluded from the meeting during the consideration of the following items of business as publicity would be prejudicial to the public interest due to the confidential nature of the business to be transacted.

**21 INSURANCE POLICIES (CONTRACTS) & RECONCILIATION (Attachments M, N, O, P, Q)**

**Statutory Basis:** Local Government Act 1972 s111 ; Local Authorities (Indemnities for Members & Officers ) order 2004

Council awarded a three-year contract to Zurich Municipal from 1<sup>st</sup> April 2015 (Minute #369 of 2014/15). Council reviewed the policy annually to ensure it was adequate for Council's needs and covers assets, but the provider and policy remained the same for those three years, apart from operational changes and amendments.

Council must now award a new policy to begin on 1<sup>st</sup> April 2018. Three quotations are provided as per **Attachments M, N & O**. Recommendations/comments are provided as per **Attachment P**. Please note: additional tenders may be received through the Government Gateway and these will be brought to Council in March if received.

Insurance Premium Tax has risen to 12% from 10%. The insurance premium for 2017/18 was £9,426.85.

Council's assets must be recorded in an Asset Register which forms part of the externally audited Annual Return each year. Is necessary to ensure the current levels of insurance are adequate for Council's assets on an annual basis.

The Town Clerk has analysed the three proposed insurance policies (in an insurance reconciliation exercise) to ensure they adequately insure Council's assets, as per **Attachment Q**.

All three insurance policy quotations would adequately cover Council's assets at this time. Please note: the approved budget for insurance 2018/19 is £9,694.

Committee is requested to **CONSIDER** the quotations and comments and **DECIDE** what to do.

**22 DATA PROTECTION (GDPR) OFFICER (Attachments R & S)**

There has been considerable discussion in the sector as to whether the Clerk can be/should be Council's Data Protection Officer under the new General Data Protection Regulation rules. To date, this has not been finalised, but it is looking likely that the Clerk/member of staff, will not be able to be the Data Protection Officer, as this will need to be someone specifically qualified and impartial. The Town Clerk has attached some guidance on this as per **Attachment R**. The likely costs of a Data Protection Officer (from an external provider) and an indicative contract are provided as per **Attachment S**.

Discussions are still ongoing as to whether there will be a service (free or chargeable) provided through Essex County Council and this will be monitored.

**RECOMMENDATION:** Epping Town Council should employ an external Data Protection Officer, if no free service is available by 25<sup>th</sup> May 2018.

Committee is requested to **CONSIDER** this information and **DECIDE** whether to make this RECOMMENDATION to Council.

**23 STAFF TERMS & CONDITIONS/PAYSCALES (Attachment T)**

**Statutory Basis:** Local Government Act 1972, s112

Epping Town Council staff are governed by the terms and conditions of by the NJC (National Joint Council) (set by NALC and SLCC). The current staff pay scales are listed as per **Attachment T**.

Staff received a salary review in April 2016 for 2016/17 and a further review in April 2017 (for 2017/18). In 2017, this equated to 1% for staff on scale points 18-49 and up to 3.4% for staff on scale points 6-17, to close large earning gaps between different pay scales. While no salary increases have been issued for 2018/19, these are expected and a 1% increase in staff salaries has been taken into account in the budget for 2018/19. This will be brought to Council once received. If an increase is agreed, payments would be backdated.

Committee is requested to **NOTE** this information.

**24 STAFFING MATTERS (Attachment U)**

**Statutory Basis:** Local Government Act 1972, s112

**Staff update**

The Town Clerk has provided an update on staffing matters as per **Attachment U**.

Committee is requested to **CONSIDER** this information and **DECIDE** if any further action is required.

**25 TOWN CLERK APPRAISAL**

**Statutory Basis:** Local Government Act 1972, s112

The Town Clerk was formally appointed Town Clerk and Responsible Financial Officer on 1<sup>st</sup> February 2016 (Minute #392 of 2016/17).

The Town Clerk's Review and Development is now due and will be undertaken in February.

The Review and Development process for the Town Clerk will be completed by the Chairman of Council (Cllr Tony Church: 2017-18) and the Chairman of the Task & Finish Personnel Committee (Cllr Mrs B Scruton).

Committee are requested to **NOTE** this information and **DECIDE** if any further action is necessary at this time.

**(NB: The matters on this agenda have a statutory basis under the Local Government Act 1972 in sections 101 and 111, in addition to those stated.)**