



EPPING TOWN COUNCIL

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

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

Cllr M Wright (Chairman & Deputy Town Mayor)
Cllr G Scruton (Town Mayor & Finance Key Member)
Cllr N Avey (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, 25th February 2020** at **6pm** for the purpose of transacting the business as set out in the agenda below. (Time revised from 8.15pm).

Beverley Rumsey
Town Clerk
19th February 2020

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 22nd October 2019. **Please note:** these were presented at the Ordinary Council meeting on 12th November 2019.

6 STATUS OF PREVIOUS RECOMMENDATIONS

The following recommendations of the CGAC from their meeting on 22nd October 2019 (Minutes #265–387 of 19/20) were adopted by Council at the Ordinary Council meeting on 12th November 2019 (Minute #302 of 19/20):

It was **RESOLVED** that:

- (i) The statutory basis for this item be **NOTED** as the Audit Commission Act s9 to 11 and the Accounts and Audit (England) Regulations 2011.
- (ii) The internal audit programme will be considered at the next Corporate Governance meeting in February 2020;
- (iii) No further action was required regarding internal audit reports at that time;
- (iv) No further action was required regarding external audits at that time;
- (v) The Statement of Internal Control and Risk Management Statement, with the Town Clerk's revisions was **APPROVED** by Council.
- (vi) The Employee Handbook with no revisions was **APPROVED** by Council;
- (vii) No further action was required regarding the half-year financial position at that time;
- (viii) The Data Protection Officer/GDPR support package should be monitored and reviewed at point of need;
- (ix) Taking card payments was not deemed necessary or beneficial at that current time;
- (x) No action was necessary regarding the financial systems at the that time as limited BACS/online payments are made. Should BACS/online payments be made, the process of dual authorisation should be revisited;
- (xi) Details of investment funds would be brought to Council once more information was available;
- (xii) From September 2020, Town Council website's would need to meet accessibility requirements and this would be brought back to Council if additional external support was needed, which is likely;
- (xiii) No further action was required regarding staffing terms, conditions & pay scales at that time;
- (xiv) The Jack Silley casual caretaker position was made into a permanent contract (on the existing terms) due to the additional workload at the Pavilion and café regarding public toilets (~~Attached at the end of November agenda as Attachment V in Exclusion of the Press and Public~~);
- (xv) Town councillors could continue to use their own email addresses, but the Town Clerk should issue email use tips in relation to Council business. This was provided as per ~~Attachment M1~~ of that agenda.

7 CORPORATE GOVERNANCE DOCUMENT REVIEW

Council **APPROVED** a review of policy and governance documents at the Ordinary Council meeting on 8th 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 2020** & October 2020 (Dealt with under items 10 & 11)

Internal Audit Programme: October 2020

Statement on Internal Control: October 2020

Insurance Inventory: **February 2020** (Dealt with under agenda item 24)

Asset Register: **February 2020** (Dealt with under agenda item 12)

Internal Risk Register: **February 2020** (Dealt with under agenda item 9)

Staffing Terms and Conditions: **February 2020** & October 2020 (Dealt with under item 26)

Standing Orders & Financial Regulations: **February 2020** (Dealt with under agenda item 8)

Employee Handbook: October 2020

Risk management statement: October 2020

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.

8 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**) since the last review and no changes to the Financial Regulations (**Attachment C**). The Town Clerk has therefore made no amendments to our Standing Orders or Financial Regulations (which are based on the models).

RECOMMENDATION 1: The Standing Orders (with no amendments) should be RECOMMENDED for ADOPTION by Council.

RECOMMENDATION 2: The Financial Regulations (with no amendments) should be RECOMMENDED for ADOPTION by Council.

9 INTERNAL RISK REGISTER (Attachment D)

Statutory Basis: Local Audit & Accountability Act 2014

The Town Clerk has reviewed the Internal Risk Register and made some additions.

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

10 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 28th and 29th January 2020. The second visit of the internal auditor will be on 18th March 2020, with a final visit later in the year.

The internal audit report (first interim) was **NOTED** at the Ordinary Council meeting on 11th February 2020 (Minute #427 of 2019/20). No recommendations were made. The internal audit report (second) for the 2019/20 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.

11 EXTERNAL AUDITS

Statutory Basis: Local Audit & Accountability Act 2014

At the Ordinary Council meeting on 8th March 2016 (Minute #475 of 2015/16), 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 external auditor for 2017-2022 for Essex will remain as PKF Littlejohn LLP.

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

12 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 29th March 2010. It was reviewed by Council in October 2012 (Minutes #201 & #222 of 2012/13).

At the Ordinary Council meeting on 12th March 2019, Council RESOLVED to record individual items equal to or greater than £1000 in the Asset Register (Minute #587 (v) of 2018/19).

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 2019/20 which are reflected in the Asset Register 2020, 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 2020, 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.

13 DATA PROTECTION POLICY & COMPLIANCE FAILURE POLICY (Attachments G1 & G2)

The General Data Protection Regulation (Regulation (EU) 2016/679) came into effect on 25th May 2018.

Council's Data Protection Policy was approved on 8th March 2016 (Minute #478 of 2015/16) and rewritten as a result of the new GDPR and approved on 13th March 2018, Minute #514 (v) of 2017/18).

Epping Town Council's Privacy Statement was approved at the Annual Council meeting on 9th May 2018, (Minute #19 of 2018/19).

Committee is requested to **CONSIDER** the Data Protection Policy, with minor revisions, as per **Attachment G1**, and **DECIDE** whether to **RECOMMEND** it for **REAPPROVAL** as a Policy of Epping Town Council.

The Town Clerk has written a Compliance Failure Policy (Data) to support the Data Protection Policy as per **Attachment G2**.

Committee is requested to **CONSIDER** the Compliance Failure Policy (Data) and **DECIDE** whether to **RECOMMEND** it as a Policy of Epping Town Council.

14 COMPLAINTS PROCEDURE (Attachment H)

Epping Town Council's complaints procedure was APPROVED on 13th March 2018 (Minute #514 (vi) of 2017/18) and is now due for review. The Town Clerk is pleased to report that Epping Town Council receive very few formal complaints and the office team try to deal with any issues efficiently, so they do not become a complaint. There have been no issues to indicate that the complaints procedure should be revised.

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.

15 HEALTH & SAFETY POLICY (Attachment I)

Epping Town Council's Health & Safety Policy was APPROVED on 12th March 2019 (Minute #587 of 2018/19) and is now due for review. The Town Clerk has updates and augmented the policy across all areas, particularly for the grounds team and cemetery.

RECOMMENDATION: Epping Town Council's Health & Safety Policy should be APPROVED as the Health & Safety Policy for Epping Town Council, with the additions explained.

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

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

Epping Town Council's Grant Awarding Policy was APPROVED on 13th March 2018 (Minute #514 of 2017/18) 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 K)

Epping Town Council's Procurement Policy was APPROVED on 13th March 2018 (Minute #514 of 2017/18) 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.

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

18 **RECRUITMENT POLICY** (Attachment L)

Epping Town Council's Recruitment Policy was APPROVED on 13th March 2018 (Minute #514 of 2017/18) and is now due for review.

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

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

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

Epping Town Council's Training & Development Statement was APPROVED on 13th March 2018 (Minute #514 of 2017/18) 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 no amendments.

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

20 SOCIAL MEDIA POLICY

(Attachment N)

Epping Town Council's Social Media Policy was APPROVED on 13th March 2019 (Minute #587 of 2018/19 (ȡ of 2018/19). In response to further Social Media guidance, the Town Clerk has made some additions to Council's Social Media policy as per **Attachment N**.

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

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

21 WEBSITE ACCESSIBILITY

(Attachment O)

At the Corporate Governance Advisory Committee meeting on 22nd October 2019 (Minute #284 of 2019/20), the Town Clerk advised members that Epping Town Council's website must meet new accessibility requirements from September 2020. More details about this are provided as per **Attachment O**.

The Town Clerk is currently working on the new accessibility requirements with Council's IT support officer and this will need to be brought back to Council for discussion when more information and solutions are available (as it will be a legal requirement before the next Corporate Governance Advisory Committee meeting in October 2020).

It may be necessary to employ an external company to manage this process if the Town Clerk considers compliance can not be met internally as our website support is very basic. One possible solution is to have our website redesigned with compliance built in and then retain control of its internal management. This is a work in process and will be brought to Council as soon as the information and costs are available.

Committee is requested to **NOTE** this information and **DECIDE** if any further action is required at the current time.

22 INVESTMENT FUNDS

(Attachment P)

Statutory Basis: The Accounts and Audit Regulations 2015 ; Local Government Act 1972, s111

At the Corporate Governance Advisory Committee meeting on 22nd October 2019 (Minute #283 of 2019/20), the Town Clerk advised members of possible investment funds which may be of interest to Epping Town Council. These were a Public Sector Deposit Fund & Local Authorities' Property Fund, which many Councils are now investing with.

On 3rd December 2019, an investment fund expert visited the members of the Corporate Governance Advisory Committee on an informal basis to explain the funds in more detail. Some more current information is provided as per **Attachment P**.

Council currently hold a Santander Business Bond of £77,615.14, which is due to expire on 31st March 2020, current interest rate 0.50%. This Bond currently generates interest of approximately £32 per month.

Council also hold a Nationwide 95 Business Saver of £25,361.01, which is due to be reviewed in March, current interest rate 1.10%. This new Saver currently generates interest of approximately £23 per month.

Please note: (£25,000 was deposited in the Nationwide in February/March 2017). The Nationwide account did generate interest of approximately £17 per month. At the Ordinary meeting on 8th January 2019, it was RESOLVED to change this account to the new 95 day business saver (from the existing 95 day business saver), transferring the current funds in full and reviewing the situation annually (Minute #435 of 2018/19). The Santander Business Bond is also reviewed annually (Minute #585 of 2018/19).

Committee is requested to **CONSIDER:**

- (i) The funds information and whether any should be RECOMMENDED to Council for consideration;
- (ii) What should be RECOMMENDED for the Santander Business Bond on its expiry;
- (iii) What should be RECOMMENDED for the Nationwide 95 Day Business Saver at its annual review.

23 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.

24 INSURANCE POLICIES (CONTRACTS) & RECONCILIATION

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

Council awarded a three-year contract to WPS Brokers (RSA Insurance Group PLC and ERS Motor Insurance) on 1st April 2018 (Minute #520 of 2017/18). Council were given an extra three months cover with this policy (review 1st July of each year). This enables the insurance providers to divert some of their business from the traditional 1st April review dates, but also gave Council three months 'free cover'. Council review the policy annually to ensure it is adequate for Council's needs and covers assets, but the provider and policy remain the same for those three years, apart from operational changes and amendments. The reviews will now take place just prior to July rather than April, so the figures are not ready at the current time.

Insurance Premium Tax is currently 12% (this could change during the coming months as it is set by Government). The insurance premium for 2019/20 was £10,320.02, plus £500 for inspections. This includes the main insurance policy, motor fleet insurance and cyber insurance.

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

The Town Clerk will provide an insurance reconciliation and annual review figures at the June Council meeting, in preparation for the 1st July review date.

At the Ordinary Council meeting on 9th July 2019 (Minute #129 of 2019/20), Epping Town Council RESOLVED to take out cyber insurance. This cost £299.99 in 2019 (per annum), including IPT at 12%, and will be due for renewal in July 2020. This will be included in the documentation brought to Council in June 2020.

Please note: the total approved budget for insurance 2020/21 is £11,680.

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

25 DATA PROTECTION (GDPR) OFFICER

Epping Town Council appointed a Data Protection (GDPR) Officer in May 2018 (Minute #514 of 2017/18 refers). This was the Local Government Public Advisory Service (LGPAS) and was to be reviewed after one year. At the Ordinary Council meeting on 12th November 2019 (Minute #312 of 2019/20), following the RECOMMENDATION of the Corporate Governance Advisory Committee (Minute #279 of 2019/20), Council decided to monitor the situation and possibly appoint a Data Protection Officer (DPO) at point of need. Please note: if such a DPO were necessary, the Town Clerk would recommend an independent person, perhaps a retired Clerk or similar, employed on a retaining or ad hoc basis.

The Town Clerk is pleased to report that to date, Epping Town Council, have not been the subject of any known data breaches. Council should note that Council's former Data Protection (GDPR) Officers have dealt with a number of data breaches elsewhere and they can be complex and time consuming, as well as very problematic.

Committee is requested to **CONSIDER** whether to RECOMMEND to Council continuing with the monitoring of the situation and appointing someone should it be necessary.

26 STAFF TERMS & CONDITIONS/PAYSCALES

(Attachment Q)

Statutory Basis: Local Government Act 1972, s112

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

Staff received a salary review in April 2018 for 2018/19 and 2019/20. These arrived after the budget setting process for 2018/19 but in time for the 2019/20 budgets, so more accurate calculations were possible for 2019/20. Please note the rebanding or restating of pay grades from 2019. This is a restating only, with the financial implications remaining comparable to previous terms (this is to remove any scales points that would be below minimum wage).

In 2019, the salary review equated to approximately 2% for staff on scale points 18-49, 3-4% for those from SCP14-17 and up to 6% for staff on scale points 6-14. This was to continue to close larger earning gaps between different pay scales. The pay scales for 2020 onwards have, to date, not been received. This is quite common and when they are received after the 1st April 2020, salaries are backdated accordingly. The Town Clerk has built similar increases to those above into the 2020-21 budget.

The Essex Pension Fund (which relates to all relevant staff employed with Epping Town Council prior to 2018) has advised Council of an employer pension contribution rate from 1st April 2020 of 23.3%. This was 21.8% in 2019 and the Town Clerk had factored 22.8% into the 2020 budget.

The employer pension contribution rate for NEST (which relates to all relevant staff employed with Epping Town Council after 2018) is currently 8% (a minimum of 3% from the employer) (from 6th April 2019 onwards). The Town Clerk is awaiting details of contribution rates for 2020 onwards.

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

27 **STAFFING MATTERS** **(Attachment R)**

Statutory Basis: Local Government Act 1972, s112

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

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

28 **TOWN CLERK APPRAISAL**

Statutory Basis: Local Government Act 1972, s112

The Town Clerk was formally appointed Town Clerk and Responsible Financial Officer on 1st February 2016 (Minute #392 of 2016/17). The Town Clerk joined Epping Town Council as Deputy Town Clerk on 5th January 2015 and was made Interim Town Clerk on 14th July 2015 (Minute #100 of 2015/16).

The Town Clerk's Review and Development is now due and will be undertaken in February/March 2020.

The Review and Development process for the Town Clerk will be completed by the Chairman of Council (Cllr Grahame Scruton: 2019-20) 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.)