



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 C Burgess	(Chairman & Deputy Mayor)
Cllr G Scruton	(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, on **Tuesday, 1st November 2022 at 6pm** for the purpose of transacting the business as set out in the agenda below.

Beverley Rumsey
Town Clerk
26th October 2022

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 February 2022.

6 STATUS OF PREVIOUS RECOMMENDATIONS

The Corporate Governance Advisory Committee met on 22nd February 2022 (Minutes #412-438 of 2021/22 refer) and made the following RECOMMENDATIONS, which were APPROVED at the Ordinary Council meeting on 8th March 2022 (Minute #460 of 2021/22).

- (i) Epping Town Council's Standing Orders should be APPROVED, with no amendments;
- (ii) Epping Town Council's Financial Regulations should be APPROVED, with no amendments;
- (iii) The Internal Risk Register should be RE-APPROVED by Council;
- (iv) The Asset Register 2022, should be APPROVED as a correct record of Council's assets at this time;
- (v) Council should continue to record assets as individual items with a value equal to or greater than £1000 in the Asset Register;
- (vi) The revised Complaints Procedure (~~Attachment K2~~) should be RECOMMENDED as a policy of Council;
- (vii) The Recruitment Policy with minor wording changes, (~~Attachment K3~~) should be RECOMMENDED as a policy of Council;
- (viii) The Health & Safety Policy with no amendments should be RE-APPROVED as a policy of Council;
- (ix) The Grant Awarding Policy, with minor wording amendments, (~~Attachment K5~~) should be RECOMMENDED as a policy of Council;
- (x) The Procurement Policy, with no amendments, should be RE-APPROVED as a policy of Council;
- (xi) The Training and Development Statement, with minor amendments, (~~Attachment K7~~) should be RECOMMENDED as a policy of Council;
- (xii) The Investment Strategy, with no amendments, should be RE-APPROVED as a policy of Council;
- (xiii) The revised Balance of Trade Policy for the Market (~~Attachment K9~~) should be RECOMMENDED as a policy of Council;
- (xiv) The amended Climate & Environmental Awareness Policy (~~Attachment K10~~) should be RECOMMENDED as a policy of Council;

- (xv) The situation regarding a Data Protection Officer should be monitored and someone engaged at point of need.

It was **RESOLVED** that:

- (i) The statutory basis for this item be **NOTED** as the Local Government Act 1972, sch 12, para 42; Local Audit & Accountability Act 2014, Local Government Act 1972, s111, Local Authorities (Indemnities for Members & Officers) order 2004, Local Government Act 1972, s112, Local Government Act 1972, s101 ;

*Please note: Attachments with a line through refer to the Attachment number that was issued at the relevant meeting discussed (eg ~~Attachment K~~)

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

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: **October 2022** & February 2023

(Dealt with under agenda items 8 & 10)

Internal Audit Programme: **October 2022 (Dealt with under agenda item 9)**

Statement on Internal Control: **October 2022 (Dealt with under agenda item 11)**

Risk Management Statement: **October 2022 (Dealt with under agenda item 11)**

Insurance Inventory: February 2023

Asset Register: February 2023

Internal Risk Register: February 2023

Staffing Terms and Conditions: **October 2022** & February 2023

(Dealt with under agenda item 15)

Standing Orders: February 2023

Financial Regulations: February 2023

Employee Handbook: **October 2022 (Dealt with under agenda item 12)**

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 is requested to **NOTE** the above information.

8 INTERNAL AUDIT

Statutory Basis: The Accounts and Audit Regulations 2015

Committee are requested to **NOTE** that the first work of the internal auditor will be on 20th October 2022.

The internal audit report (first interim) will be brought to the Ordinary Council Meeting on 8th November 2022, once received.

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

9 INTERNAL AUDIT PROGRAMME (Attachment B)

Statutory Basis: The Accounts and Audit Regulations 2015

In 2020, the internal auditing programme of works covering 2020-2025 was APPROVED at the Ordinary Council meeting on 12th November 2020 (Minute #299 of 2020/21), as per **Attachment B**. Council requested that Auditing Solutions Ltd change the particular auditor that covers Epping Town Council's work, halfway through this five-year programme (2022-23).

The Town Clerk/RFO would RECOMMEND that this should be done at the end of the financial year rather than midway through this financial year.

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

10 EXTERNAL AUDIT (Attachment C)

Statutory Basis: The Accounts and Audit Regulations 2015

Members are requested to **NOTE** the externally audited Annual Return for 2021/22. The AGAR has previously been NOTED by Full Council at the Ordinary Council meeting on 27th September 2022. (Minute #181 of 2022/23).

The Town Clerk was pleased to report there are no qualifications or comments on the Annual Return (and therefore no matters needing attention).

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

11 REVIEW OF STATEMENT ON INTERNAL CONTROL & RISK MANAGEMENT STATEMENT (Attachments D & E)

Statutory Basis: The Accounts and Audit Regulations 2015

Council is required to maintain a Statement of Internal Control (**Attachment D**) and a Risk Management Statement (**Attachment E**) and ensure that each is reviewed annually. The Town Clerk has made some minor additions to both documents.

Committee is requested to **CONSIDER** these statements and additions and make appropriate **RECOMMENDATIONS** to Council.

12 **EMPLOYEE HANDBOOK**

(Attachment F)

Statutory Basis: Local Government Act 1972, s112

The Town Clerk has reviewed the Employee Handbook and has made no amendments at the current time. The broad content is currently adequate for the staffing situation and structure at Epping Town Council.

RECOMMENDATION: The Employee Handbook should be **APPROVED** with no amendments at the current time.

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

13 **HALF-YEAR FINANCIAL SUMMARY POSITION**

Statutory Basis: Local Government Act 1972, s111

At the Ordinary Council meeting on 11th October 2022, the Town Clerk and Responsible Financial Officer advised that the draft budget, first estimates, would be considered at the Ordinary Council meeting in November rather than October, (Minute #217 of 2022/23) as the key tax base figure omission made it too much of an estimate.

November also shows another month of financial activity which should make forecasting more accurate. The tax base figure may not arrive in time for the November meeting (from Epping Forest District Council), so second more accurate figures would also be provided at the December Council meeting as usual. The final budget will continue to be set at the Ordinary Council meeting in January 2023, in line with legislation.

The Town Clerk presented a summary of Epping Town Council's financial activity for the first half of the financial year (1st April 2022-30th September 2022) to full Council at the meeting on 11th October 2022. This showed Council have performed fairly accurately against the income and expenditure budget (54.6% against a six month level of 50%). The Clerk/RFO has highlighted the potentially vast increases in energy bills. This situation will be monitored over the coming weeks during the budget setting process. As Council's utilities are due for renewal on 1st December 2022, it will be necessary to make a decision on how to proceed with utilities at the November full Council meeting.

Committee should discuss the possibility of a variable rate for energy and what would happen if Council do not commit to the contracts available at the time (and whether they would automatically be put on an 'emergency' variable rate).

Council's unpredicted and vastly increased insurance bill also had a negative effect on the budget. This was due to large industry increases and a relatively large claim on the Jack Silley Pavilion during the previous term.

Whilst early financial out-turn predictions can be made, they will likely be very difficult to forecast accurately without clarification on the utility bills position.

Committee is requested to **CONSIDER** this information and **DECIDE** what **RECOMMENDATIONS/SUGGESTIONS** should be made to Council in November regarding energy bills.

14 **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.

15 **STAFF TERMS & CONDITIONS/PAYSCALES** **(Attachment G)**

Statutory Basis: Local Government Act 1972, s112

Epping Town Council staff are governed by the terms of conditions set by the NJC (National Joint Council) (set by NALC and SLCC). The current spine points are included as per **Attachment G**.

In 2021, the Town Clerk was advised there would be no staff pay reviews for the 2021/22 financial year. In March 2022 however, (month 12 of the financial year) staff were awarded a backdated pay award of 1.75% for 2021/22.

At the time of writing, there has been no staff pay award for 2022/23. This means year on year staff are working for less. The Clerk is expecting a staff pay award for 2022/23 and if this is the case, this will be very late again and backdated. The Clerk will build 2% into the income and expenditure budget setting process to mirror previous increases.

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

16 **STAFFING MATTERS** **(Attachment H)**

Statutory Basis: Local Government Act 1972, s112

An overall staffing update is provided as per **Attachment H**.

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

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