

MINUTES of the CORPORATE GOVERNANCE ADVISORY COMMITTEE

Held at Epping Hall, St. John's Road, Epping on **Tuesday 23rd October 2018 at 8.15pm.**

PRESENT: Cllr G Scruton
(Chairman, Deputy Town Mayor & Key Member Finance)
Cllr N Avey (Town Mayor)
Cllr J A Smith (Key member Administration)

IN ATTENDANCE: Cllr Mrs C McCredie, Cllr Mrs B Scruton

OFFICER: Beverley Rumsey (Town Clerk)

290 APOLOGIES FOR ABSENCE

There were no apologies for absence.

291 DECLARATIONS OF INTEREST

No declarations of interest were received.

292 DISPENSATIONS

There were no dispensations.

293 PUBLIC PARTICIPATION – QUESTION TIME

There were no public questions or comments.

294 CONFIRMATION OF MINUTES

It was **RESOLVED** that the minutes of the Corporate Governance Committee held on 27th February 2018 be signed by the Chairman as a true record.

295 STATUS OF PREVIOUS RECOMMENDATIONS

The following recommendations of the CGAC were adopted by Council at the Ordinary Council meeting of 13th March 2018 (Minute #514 of 2017/18):

- (i) Epping Town Council's revised Standing Orders and Financial Regulations should be **APPROVED (J1 & J2)**;

In addition: Members discussed adding a section to the Financial Regulations which authorised the Town Clerk, in conjunction with the Town Mayor and Deputy Mayor, to spend up to and including £15,000 on emergency expenditure. The emergency/expenditure would be agreed by all 3 parties, confirmed in writing and reported to Council at the earliest possible meeting.

- (ii) The revised Internal Risk Register should be **APPROVED** by Council (**J3**);

- (iii) The Asset Register 2018, as per **J4**, should be **APPROVED** as a correct record of Council's assets at this time;

- (iv) Council should continue to record assets as individual items with a value equal to or greater than £1000 in the Asset Register;
- (v) The revised Data Protection (GDPR) Policy (working draft) **(J5)** should be RECOMMENDED as a policy of Council;
- (vi) Epping Town Council's Complaints Procedure should be APPROVED as the Complaints Procedure for Epping Town Council, with no amendments **(J6)**;
- (vii) Epping Town Council's Grant Awarding Policy should be APPROVED as the Grant Awarding Policy for Epping Town Council, with no amendments. **(J7)**;
- (viii) Epping Town Council's Procurement Policy should be APPROVED as the Procurement Policy for Epping Town Council, with some amended/rearranged wording **(J8)**;
- (ix) Epping Town Council's Recruitment Policy should be APPROVED as the Recruitment Policy for Epping Town Council, with the amendments highlighted **(J9)**;
- (x) Epping Town Council's Training & Development Statement should be APPROVED as the Training & Development Statement for Epping Town Council, with the amendment highlighted **(J10)**;
- (xi) Committee would RECOMMEND that Epping Town Council employ an external Data Protection Officer, for one year initially, if no free service is available by 25th May 2018 (anticipated cost up to £500 per annum);
- (xii) Council's insurance policy should be approved as per Attachment N (CGAC) and was revisited under agenda item 22 (EXCLUDED Attachment P);
- (xiii) The insurance reconciliation should be APPROVED by Council as per Attachment Q (NPAC) and was revisited under agenda item 22 (EXCLUDED Attachment P2).
- (iv) The amendment to the Financial Regulations regarding emergency expenditure was also approved and the relevant section is attached to the minutes as per **Appendix 1**.

Committee **NOTED** the above information.

296 PREVIOUS OUTSTANDING RECOMMENDATIONS

There was one outstanding recommendation from the previous meeting.

(i) Alternative pension providers

At the Ordinary Council meeting on 13th 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). At the Ordinary Council meeting on 13th March 2018, Council RESOLVED to enrol new

members of staff (eligible jobholders) onto the National Employment Savings Trust (NEST) pension scheme (Minute #519 of 2017/18).

As this had now been completed, The Town Clerk advised members that there were no further outstanding recommendations.

Committee **NOTED** this information.

297 **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 2018** & February 2019

(Dealt with under agenda items 9 & 11)

Internal Audit Programme: **October 2018 (Dealt with under agenda item 10)**

Statement on Internal Control: **October 2018 (Dealt with under agenda item 12)**

Risk Management Statement: **October 2018 (Dealt with under agenda item 12)**

Insurance Inventory: February 2019

Asset Register: February 2019

Internal Risk Register: February 2019

Staffing Terms and Conditions: **October 2018** & February 2019

(Dealt with under agenda item 18)

Standing Orders: February 2019

Financial Regulations: February 2019

Employee Handbook: **October 2018 (Dealt with under agenda item 13)**

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 **NOTED** the above information.

298 **INTERNAL AUDIT**

Statutory Basis: Local Audit & Accountability Act 2014

Committee were requested to **NOTE** that the second (and financial year final) visit of the internal auditor was on 17th April 2018.

The internal audit report (second interim) was **NOTED** at the Ordinary Council Meeting on 10th June 2018 (Minute #80 of 2018/19). No further action was required at that time.

The Town Clerk advised members that a new auditor would be visiting Epping Town Council in November 2018.

Committee **NOTED** the above information.

299 **INTERNAL AUDIT PROGRAMME**

Statutory Basis: Local Audit & Accountability Act 2014

Members were requested to **NOTE** that the internal auditing programme was reviewed at the Corporate Governance Advisory Committee meeting on 27th October 2015 and Auditing Solutions Ltd were appointed as Council's internal auditors for a further period of five years from 2015-2020, based on the scope and detail provided. (Approved at the Ordinary Council meeting on 10th November 2015 (Minutes #249 and #267 of 2015/16 refer)).

Committee **NOTED** this information, once again.

300 **EXTERNAL AUDIT**

Statutory Basis: Local Audit & Accountability Act 2014

Members **NOTED** the externally audited Annual Return for 2017/18. This report has previously been considered by Full Council at the Ordinary Council meeting on 9th October 2018. (Minute #272 of 2018/19).

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

Committee **NOTED** this information.

301 **REVIEW OF STATEMENT ON INTERNAL CONTROL & RISK MANAGEMENT STATEMENT**

Statutory Basis: Local Audit & Accountability Act 2014

Council is required to maintain a Statement of Internal Control and a Risk Management Statement and ensure that it is reviewed annually. The Town Clerk had made slight revisions to both documents.

RECOMMENDATION: These statements, with their revisions, should be **APPROVED** by Council.

302 **EMPLOYEE HANDBOOK**

Statutory Basis: Local Government Act 1972, s112

The Employee Handbook was reviewed at the Corporate Governance Advisory Committee meeting on 24th October 2017 and no amendments were

recommended. This was **APPROVED** at the Ordinary Council meeting on 14th November 2017 (Minute #324 of 2017/18).

The Town Clerk had reviewed the Employee Handbook and had made some minor amendments. The broad content is currently adequate for the staffing situation and structure at Epping Town Council.

RECOMMENDATION: The Employee Handbook, with these minor revisions, should be **APPROVED** by Council.

303 **HALF YEAR FINANCIAL SUMMARY POSITION**

Statutory Basis: Local Audit & Accountability Act 2014

At the Ordinary Council meeting on 9th October 2018, Council approved the draft budget (first estimate) (Minute #271 of 2018/19) with second estimates to be discussed at the Ordinary Council meeting in November/December and the final budget set at the Ordinary Council meeting in January 2019.

Council's draft budget (first estimate) showed Council's half-year expenditure (on 3rd October 2018) (minus the expenditure on the Stonards Hill Refurbishment Project) was 48.2% of the agreed budget. Council's income to that date was 54.2% of the agreed budget (minus the income received for the Stonards Hill Refurbishment Project).

The early projected outturn figure shows a deficit of £43,882 against a surplus budget of £1,168. This is due to £23,000 of the Stonards Hill refurbishment S106 (1st installment) being received in the 2017/18 financial year and emergency replacement boilers for Epping Hall, which will be financed from the Asset Fund (£9,183). With this in mind, the deficit against the income/expenditure budget equates to a projected £12,634 at the current time (£7,750 of this has been a lower than anticipated market income). This is subject to much change and the income/expenditure will continue to be monitored each month at full Council.

Committee **NOTED** this information.

304 **GENERAL DATA PROTECTION REGULATION AUDIT RECOMMENDATIONS**

Statutory Basis: General Data Protection Regulation (Regulation (EU) 2016/679)

At the Ordinary Council meeting on 13th March 2018 (Minute #514 (xi), Council **APPROVED** the appointment of external data protection officers (the Local Council Public Advisory Service). This was for one year and then to be reviewed. It was not known how our operations would be affected by the General Data Protection Regulation.

To date, we have had no data breaches. **Attachment H** shows a report from the Local Council Public Advisory Service, detailing the work they have been

undertaking for other councils (how other councils have been affected). The Town Clerk would RECOMMEND revisiting this matter at the Corporate Governance Advisory Committee meeting on 26th February 2019.

It was **RESOLVED** that:

- (i) This be **NOTED** with no further action at the current time;
- (ii) This matter would be revisited at the Corporate Governance Advisory Committee meeting on 26th February 2019;
- (iii) The Town Clerk would prepare a Freedom of Information and Subject Access Request policy/policies for Council.

305 THE LEDBURY CASE

Statutory Basis: Local Government Act 1972, s112

The Ledbury Case has become quite well known amongst Councils and relates to grievances between councillors and their employees. Should any disputes not be able to be resolved by the Council itself, then they would need to be referred to the monitoring officer (at Epping Forest District Council). This will also be put forward to Council to NOTE.

It was **RESOLVED** that:

- (i) This be **NOTED** with no further action at the current time;
- (ii) It would be put forward to Council to **NOTE**.

306 EXCLUSION OF PRESS AND PUBLIC

It was **RESOLVED** 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.

307 STAFF TERMS & CONDITIONS/PAYSCALES

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 were noted at the Corporate Governance Advisory Committee meeting on 27th February 2018 (Minute #490 of 2017/18).

Staff received a salary 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, as the gap closes through phased increases. As no figures were available when the

budget for 2018/19 was set, the budget allocated a 1% pay increase for 2018/19. The pay award for 2018/19-2019/20 arrived after the start of the financial year (1st April 2018) and was higher than expected (ranging from 2% at SCP 49 to 6.5% for those on SCP 8). This has been reflected in the first draft budget for 2019/20. The aim has been to raise the income of those on lower scale points over some time. **Please note:** the scale points will be number regraded from 1st April 2019, but the monetary values follow the same annual increment methods.

It was **RESOLVED** that:

- (i) This be **NOTED** with no further action required at the current time;
- (ii) Staffing levels were correct at the current time.

308 **STAFFING MATTERS**

Statutory Basis: Local Government Act 1972, s112

Current staffing matters were discussed at the Ordinary Council meeting on 11th September 2018 (Minutes #223 & #224 of 2018/19).

Committee **CONSIDERED** the staffing update as per **Attachment K**.

It was **RESOLVED** that:

- (i) This be **NOTED** with no further action at the current time;
- (ii) The staffing situation would be monitored and **RECOMMENDATIONS** brought to Council at the point of need.

The Chairman closed the meeting at **21.01 pm**.

(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.)

Signature of Chairman

Date