

**EPPING FOREST DISTRICT COUNCIL
CORPORATE GOVERNANCE GROUP MEETING**

**WEDNESDAY, 23 FEBRUARY 2011
(9.30 - 10.55 AM)**

Present: D Macnab (Acting Chief Executive) (Chairman) R Palmer (Director of Finance and ICT), I Willett (Assistant to the Chief Executive) and B Bassington (Chief Internal Auditor)

**Apologies for
Absence:** C O'Boyle (Director of Corporate Support Services)

In attendance: Members:

Assistant Directors:

Place: Room 1.05, First Floor, Civic Offices, High Street, Epping, Essex

84. DECLARATIONS OF INTEREST

None for this meeting.

85. TERMS OF REFERENCE

Noted.

86. MINUTES OF THE PREVIOUS MEETING - 26.1.11

Agreed.

87. MATTERS ARISING

(a) Norway House, North Weald – Internal Audit Study (Minute 71(a))

Noted that a meeting had been held with relevant officers from Norway House regarding the follow up audit.

Noted that a Freedom of Information Act request had been received from a resident of North Weald which might have some bearing on matters at Norway House.

(b) PKF – Audit Letter 2009/10

Noted that it was still the intention of Mr R Bint of PKF to issue a formal letter to the Council regarding the former Chief Executive's contract.

88. AUDIT & GOVERNANCE COMMITTEE (14.2.11)

(a) Implementation of Action Plans for Priority 1 Audit Recommendations

Agreed that the proposals for monitoring of Priority 1 Recommendations through Corporate Governance Group as suggested by the Chief Internal Auditor be supported subject to the following suggestions:

- (i) monitoring schedule to include an additional column to show updates supplied by Directors on implementation; and
- (ii) e-mail request to be sent by the Chief Internal Auditor to relevant Directors by the end of the month prior to each CGG meeting for updating the schedule.

Agreed that a standing item be included on CGG meetings in future.

ACTION:

B Bassington to revise monitoring report.

I Willett to include standing item on future CGG agenda.

(b) Officer Attendance at Audit and Governance Committee Meetings

Agreed that where limited assurance reports are due for submission to the Audit and Governance Committee, a check be made with the Chairman and/or members of the Audit and Governance Committee as to whether it is necessary for a Director or representative to attend to answer questions: this to be done by the Thursday afternoon prior to the Monday of the Audit and Governance Committee meeting.

Agreed that this matter be referred to the next Management Board meeting for discussion.

Agreed that G Woodhall put in hand the relevant arrangements for checking on officer attendance.

ACTION:

Directors to note.

G Woodhall to pursue.

89. RISK REGISTER

Noted that there had been a recent meeting of the Risk Management Working Party which had updated the Corporate Risk Schedule as indicated below:

- (a) Page 6 – link individual risks to the priorities set out in the table;
- (b) Risk 30 – update for at least two years budget uncertainty;
- (c) Risk 1 – update description of the risk to refer to recruitment freeze; risk C3;
- (d) Risk 22 – update risk concerning key partnerships to reflect current pressure on funding in the voluntary sector;
- (e) Risk 23 (Fraud) – delete CPA score but C3 risk designation to remain;
- (f) New Risk – Housing Revenue Account Subsidy Reform – identify two risks regarding General Rate Fund impact and impact on the HRA from the assumption of significant amounts of debt (Risk D2); and

(g) New Risk – Mid-Term Financial Strategy (risk designation C2) - this to make reference to the following:

(i) Housing Benefits system – transition to universal credit and transfer of fraud investigators to Department of Work and Pensions reflecting more difficult working arrangements from remote locations; and

(ii) Welfare Reform – (risk designation B3).

ACTION:

R Palmer to update register.

90. HEAD OF PAID SERVICE, MONITORING OFFICER AND CHIEF FINANCE OFFICER - PROTOCOLS

Noted that the Constitution and Member Services Standing Scrutiny Panel had approved the draft protocols with minor amendments and that these were now proceeding to the Overview and Scrutiny Committee on 28 February 2011 and at the Council meeting in March 2011.

91. STANDARDS COMMITTEE

(a) Complaints, Assessments, Reviews and Adjudications

Noted that no matters were outstanding at the present time.

(b) Nazeing Parish Council – Direction from Standards for England

Noted that a formal application had been made to Standards for England for the lifting of the Direction.

Noted that there had been one or two protests from Nazeing Parish Council about the withdrawal of the training programme.

Noted that the total liability incurred by the Council up to now was approximately £1,500 covering £1,000 for Phase 1 (including work undertaken in respect of courses which had not yet taken place) and £500 in respect of Phase 2 which related only to attendance at meetings and briefings with Council officers.

92. ANY OTHER BUSINESS

(a) Meeting Allowances for Officers

Noted that the issue of a variation to budgets relating to meeting allowances had been raised by the Assistant Head of Democratic Services.

Agreed that this and other similar budget variations should in future be reported to the Management Board in compliance with Financial Regulations.

ACTION:

G Lunnun to write a report to Management Board.

Directors to note.

(b) Pest Control Contract – Liquidation

Noted that work was being undertaken at the present time to investigate the implications of the liquidation of the Council's previous contractor for pest control.

ACTION:

J Gilbert to report back.

(c) Unencrypted Disc of Correspondence

Noted that delivery of an unencrypted disc of correspondence sent from the Civic Offices in connection with a complaint was still awaited at the time of the meeting.

Agreed that the implications of this potential breach of data protection requirement, be raised at the next Management Board meeting with Directors.

ACTION:

I Willett to place on the next Management Board agenda.

(d) Legal Proceedings by Member of the Council

Noted that one member of the Council was taking legal proceedings against the Council over damage to property.

(e) Parish Councils – Residual Liability for District Council

Noted that CIPFA and the Council's Legal Section had reached the same conclusion regarding the absence of any liability whatsoever falling on Epping Forest District Council where any Parish Council finds itself in financial problems.

(f) Langston Road Depot – Planning Application

Noted that a request had been received that the Planning Application by Polofind should be dealt with at the District Development Control Committee rather than via Area Plans Sub Committee South.

Agreed that further discussions be held with Planning Officers to assess the case for direct reference to the District Development Control although CGG took the view that normal procedures should apply.

93. DATE FOR FUTURE MEETINGS

Next meeting: 16 March 2011 at 9.30 a.m. in the Acting Chief Executive's Office.