

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

**WEDNESDAY, 1 JUNE 2011
(9.30 - 11.45 AM)**

Present: D Macnab (Acting Chief Executive) (Chairman) C O'Boyle (Director of Corporate Support Services), R Palmer (Director of Finance and ICT), I Willett (Assistant to the Chief Executive) and B Bassington (Chief Internal Auditor)

**Apologies for
Absence:**

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

1. MINUTES OF THE PREVIOUS MEETING - 20.4.11

Agreed.

2. MATTERS ARISING

(a) Licensing Enforcement (Minute 112(c))

(J Gilbert in attendance)

Noted that an action plan had been prepared in order to respond to concerns about enforcement of taxi licensing in a previous internal audit report.

Noted that in future the service will continue to be complaint-orientated but more time would be devoted to proactive enforcement work subject to availability of staff resources.

Action:

J Gilbert to pursue.

(b) Politically Restricted Posts

Agreed that the current position be checked regarding submission to the Standards Committee.

Action:

I Willett to pursue.

(c) Carbon Action Network East (CAN East) and Eastern Carbon Reduction Initiative (Eastern CRI) (Minute 117)

Noted that no payment had yet been made in respect of the outstanding financial liability for the Council pending a current police investigation of this organisation and the lead Council concerned.

Action:

C O'Boyle to monitor.

3. DECLARATIONS OF INTEREST

None for this meeting.

4. TERMS OF REFERENCE

Noted.

5. AUDIT COMMISSION - DIGEST OF RECENT REPORTS

None for this meeting.

6. INTERNAL AUDIT - ANNUAL REPORT AND EFFECTIVENESS STATEMENT

Agreed that the draft report submitted to the meeting be approved for submission to the Audit and Governance Committee subject to the following:

(a) Paragraph 6 (Performance Management) – add additional comment on proposals for improving service performance in 2011/12;

(b) Paragraph 8.9 – make reference to the intention of Internal Audit to remind audit report recipients to provide feedback, if necessary attaching the feedback form to the final version of the audit report as issued to Service Directors.

(c) Paragraph 15 (Good Practice Questionnaire) – insert 97% as the compliance score achieved.

Agreed that (b) above be referred to the next Extended Management Board meeting for discussion with Directors and Assistant Directors.

Action:

B Bassington to pursue.

I Willett to refer to Extended Management Board.

7. INTERNAL AUDIT MONITORING REPORT (JANUARY-MARCH 2011)

Noted that in the last quarter all internal audit reports had findings of either full or substantial assurance.

Agreed that the draft report be approved for submission to the Audit and Governance Committee subject to minor clerical changes and to the omission of Appendix 4 which could be cross-referenced to a separate report on the same agenda.

Action:

B Bassington to pursue.

8. EXTERNAL AUDITOR - ANNUAL AUDIT FEE LETTER 2011/12

Draft report agreed.

Action:

R Palmer to pursue.

9. ANNUAL GOVERNANCE STATEMENT 2010/11

Draft statement agreed for submission to the Audit and Governance Committee subject to the following:

- (a) Paragraph 3.6 – check wording on whether there is a currently a Performance Plan in being;
- (b) Paragraph 7.1.6 – delete last sentence;
- (c) Paragraph 7.2.2 – make reference to progress with the Guide to Procurement and to work being undertaken on Freedom of Information Act and Data Protection Act procedures;
- (d) Paragraph 7.2.3 – amend wording to clarify that current work is regarding the updating of the existing policy only.

Action:

B Bassington to pursue.

10. DRAFT ANTI-BRIBERY POLICY

Agreed for submission to the next Audit and Governance Committee subject to the following:

- (a) check whether there is full member and officer access to the policy available;
- (b) make reference to access to the document for staff who are not connected to the Council's Intranet;
- (c) make reference in the policy to possible disciplinary penalties for staff;
- (d) bring forward proposals for training of staff on anti-bribery issues with particular reference to vulnerable areas such as major contracts, assets and planning.

Action:

B Bassington to report back.

11. CORPORATE RISK REGISTER

Agreed that the latest version of the Corporate Risk Register be approved subject to the addition of a new risk relating to “bundling” along the boundary of the North Weald Airfield adjacent to the M11 motorway which was to be the subject of a future Cabinet report.

Noted that comments made by the Leader of Council concerning the potential risk surrounding the Localism Bill, currently before Parliament, had been covered in item No 22 in the Schedule.

Agreed that No 9 (Depot Accommodation) be reclassified to Risk D2.

Agreed that consideration be given to provision of risk management training by Zurich Municipal in respect of new Cabinet members and the Audit and Governance Committee.

Action:

R Palmer to pursue.

12. TREASURY MANAGEMENT STRATEGY STATEMENT AND INVESTMENT STRATEGY 2011/12-2013/14

Agreed that the draft report be approved for submission to the Audit and Governance Committee.

Agreed that consideration be given to specific training for key members on future borrowing policy.

Action:

R Palmer/B Moldon to pursue.

13. OLYMPIC WORKING GROUP

Draft report for submission to the Audit and Governance Committee agreed subject to the addition of reference to:

- (a) Essex Procurement Business Breakfast; and
- (b) current impact assessment being undertaken.

Action:

D Macnab to pursue.

14. STANDARDS COMMITTEE

(a) Complaints – Assessments, Reviews and Adjudications

No new items for report.

(b) Ninth Annual Report (2010/11)

Agreed, subject to the inclusion of the Chairman of the Committee's introductory statement, a schedule of cases and an amendment to Paragraph 5.4 to reflect new information received recently about a possible replacement Code of Conduct.

Action:

I Willett to finalise.

15. FORMER CHIEF EXECUTIVE - CONTRACT OF EMPLOYMENT

Noted that the Senior Partner in PKF Accountants (the Council's external auditors) had submitted a report on his review of the terms of employment in respect of the former Chief Executive.

Agreed that a brief covering report be drafted to accompany the documents presented by PKF at the next meeting of the Audit and Governance Committee.

Noted that C O'Boyle would be attending the meeting.

Action:

D Macnab to draft report.

16. PUBLIC AUDIT - GOVERNMENT CONSULTATION

Noted that a draft report would be circulated for comment to CGG members.

Action:

R Palmer to pursue.

17. IFRS - CHANGES TO THE ANNUAL ACCOUNTS

Noted that a draft report would be circulated by P Maddock for comments by CGG members.

Action:

P Maddock to pursue.

18. AUDIT AND GOVERNANCE COMMITTEE - DEPUTY PORTFOLIO HOLDERS

Noted that one Deputy Portfolio Holder had been appointed as a member of the Audit and Governance Committee.

Agreed that this necessitated a review of the terms of reference of the Audit and Governance Committee as the involvement of a Deputy Portfolio Holder was not covered and not regarded as best audit practice.

Agreed that this issue be considered at a future meeting of the Constitution and Member Services Panel.

19. DATE FOR FUTURE MEETINGS

13 July 2011 at 9.30 am in the Acting Chief Executive's Office.

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