

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

**WEDNESDAY, 22 OCTOBER 2008
(9.00 - 10.55 AM)**

Present: P Haywood (Chief Executive), J Akerman (Chief Internal Auditor), C O'Boyle (Director of Corporate Support Services), R Palmer (Director of Finance and ICT), D Macnab (Deputy Chief Executive) and I Willett (Assistant to the Chief Executive)

**Apologies for
Absence:**

Place: Room 1.29, 323 Building, Civic Offices, High Street, Epping

69. MINUTES OF THE PREVIOUS MEETING - 24.9.08

Agreed.

70. MATTERS ARISING

(a) Corporate Risk Register – Update (Minute 57(d))

Supplementary report of R Palmer received.

Agreed that the additional risks concerning shortage of Senior Management posts in Directorate of Planning and Economic Development, and investment losses be included in the register.

Agreed that an amended version of the Corporate Risk Register be submitted to the Finance and Performance Management Cabinet Committee on 17 November 2008.

Agreed that the Action Plan relating to the changes in the Risk Register be approved for submission to the Committee.

ACTION:

R Palmer to pursue.

(b) Gifts and Hospitality – Future Monitoring Arrangements (Minute 61(b))

Third Action Point to be amended to read “M Tipping to arrange”.

(c) Use of Corporate Logo (Minute 62)

Noted that T Carne had met with a Designer to review the matters raised and the design guide.

(d) Publication of Prosecution Results (Minute 63)

Noted that the Council's External Auditors had been provided this minute in the context of evidence of attention to the management of fraud issues.

71. DECLARATIONS OF INTEREST

I Willett – Item 7 in relation to the Royal Bank of Scotland.

72. TERMS OF REFERENCE

Noted.

73. INTERNAL STANDARDS ON AUDITING (ISA) 260 - ACTION PLAN MONITORING

Action Plan noted subject to future progress reports omitting those items from the schedule which had been completed.

74. EXTERNAL AUDITORS - GOVERNANCE STATEMENT AND BENEFITS

Noted that an approach had been received from the Audit Commission to hold a meeting with relevant Council Officers to discuss potential performance issues and sustainability of improvement in respect of benefits.

Noted that the background to this request was not known.

Noted that the External Auditors had commented on the 2007/08 Governance Statement stating that in their view the document appeared to be of excessive length.

Agreed that the Governance Statement should be reviewed with a view to being more concise in future.

ACTION:

(1) P Haywood/R Palmer to pursue meeting regarding benefits.

(2) J Akerman to note in respect of the Governance Statement.

75. COUNCIL INVESTMENTS

Noted that the Cabinet at its meeting on 20 October 2008 had accepted R Palmer's report and findings concerning the Council's investments in foreign banks.

Noted that R Palmer had re-formatted this report into a report from the Cabinet to the Council.

Noted that at a Conference held yesterday, the Council's brokers had recommended that Councils should concentrate for the time being on investments of no more than 3 months' duration.

Agreed that this should be the Council's policy and that further research be carried out on appropriate Government funds in which to invest which would offer more secure prospects.

Noted that predictions in respect of the base interest rate for 2009/10 were indicating a reduction to 3.5% or at the most pessimistic assessment 1.5%.

Noted that this would have a significant impact on the budget for next year in terms of lost investment income if these rate predictions came about.

Noted that this would have a greater affect on the HRA where two-thirds of investment income received by the Council were credited to that account (£3.069 million in the current year).

Noted that budget growth lists were due to be submitted to the Finance and Performance Management Cabinet Committee in November 2008.

Agreed that a report should be added on risk to the budget arising from the interest rate position.

Noted that in respect of the forthcoming review of Treasury Management by Internal Audit, the Chief Internal Auditor advised that this was a planned Systems Audit which would also take account of the contents of the report to the Cabinet on 20 October 2008.

ACTION:

R Palmer/J Akerman to pursue.

76. STANDARDS COMMITTEE

(a) Current Complaint

Report on the investigation being drafted.

(b) Appeal against finding of no investigation

Noted that the Standards Committee dismissed the appeal submitted by the Complainant.

(c) Additional Parish Council Representative

Details still awaited.

77. AUDIT COMMISSION INSPECTION OF THE WASTE MANAGEMENT SERVICE

Agreed that in respect of the Governance aspect of the Audit findings, the report be agreed subject to the following clarifications:

(a) Resource Implications – clarify the meaning.

(b) Review Paragraphs 4 and 7.

Agreed that D Macnab discuss the report with J Gilbert.

ACTION:

D Macnab/J Gilbert to pursue.

78. REFUSE COLLECTION CONTRACT

Report agreed subject to being placed in private session due to the contractual issues involved in the report.

Agreed that the results of consultation on the Refuse Service be published as a Part 1 item in the budget and included in the Members' Bulletin and the Council's Website at the earliest opportunity.

Agreed that no further changes should be made to the report to be dealt with in Private Session.

ACTION:

J Gilbert to pursue.

79. POLICE INVESTIGATION

Noted that a Council employee had been contacted by the Police as part of an investigation into a fraud issue.

Agreed that Senior Management of the Directorate concerned should conduct an operational risk assessment in the light of this case.

ACTION:

D Macnab to pursue.

80. DATE FOR FUTURE MEETINGS

Next meeting 19 November 2008 at 9.00 a.m. in the Chief Executive's Office.

D Macnab to chair in the absence of P Haywood.