

EXTRACT ONLY

EPPING FOREST DISTRICT COUNCIL COUNCIL MINUTES

- Committee:** Council **Date:** 26 July 2011
- Place:** Council Chamber, Civic Offices, High Street, Epping **Time:** 7.30 - 9.20 pm
- Members Present:** Councillors K Angold-Stephens (Chairman), B Rolfe (Vice-Chairman), R Bassett, A Boyce, W Breare-Hall, Ms R Brookes, K Chana, Mrs T Cochrane, R Cohen, Mrs D Collins, D Dodeja, C Finn, Mrs R Gadsby, Mrs A Grigg, Ms J Hart, D Jacobs, P Keska, Ms Y Knight, Mrs J Lea, L Leonard, Mrs M McEwen, J Markham, A Mitchell MBE, G Mohindra, S Murray, J Philip, Mrs C Pond, Mrs P Richardson, Mrs M Sartin, Mrs P Smith, P Spencer, D Stallan, Ms S Stavrou, Mrs J Sutcliffe, H Ulkun, Mrs L Wagland, G Waller, Ms S Watson, A Watts, Mrs E Webster, Mrs J H Whitehouse, J M Whitehouse, D Wixley and J Wyatt
- Apologies:** Councillors R Barrett, P Gode, J Hart, D C Johnson, Mrs S Jones, J Knapman, A Lion, R Morgan, S Packford, W Pryor, B Sandler and C Whitbread
- Officers Present:** D Macnab (Acting Chief Executive), C O'Boyle (Director of Corporate Support Services), R Palmer (Director of Finance and ICT), I Willett (Assistant to the Chief Executive), G Lunnun (Assistant Director (Democratic Services)), P Seager (Chairman's Secretary), R Perrin (Democratic Services Assistant) and J Boreham (Assistant Public Relations and Information Officer)
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REPORT OF THE AUDIT AND GOVERNANCE COMMITTEE - REPORT OF EXTERNAL AUDITOR - CONTRACT OF FORMER CHIEF EXECUTIVE

Pursuant to the Council's Staff Code of Conduct, Mr I Willett, Assistant to the Chief Executive declared a personal interest in this item by virtue of having provided the external auditor with information for his report. He advised that he had determined that his interest was not prejudicial and that he would remain in the meeting for the consideration and voting on the matter.

Mover: Councillor Watts, Chairman of the Committee

Councillor Watts submitted a report of the Committee following consideration of a report from the Council's external auditor, PKF which had been commissioned for a review of the legal basis of the contract of employment of the former Chief Executive. Councillor Watts advised the Council that the Committee was asking the Council to consider the conclusions set out in the report from the Council's external auditor, to agree that procedures be put in place to prevent a re-occurrence of this situation and to agree that a report should be made to a future meeting of the Committee advising that the necessary procedures had been put in place.

First amendment moved by Councillor Watts and seconded by Councillor Wagland

“That recommendation (3) of the Committee (report to a future committee meeting) be amended to read:-

“That a report be made to a future Audit and Governance Committee as to the procedures which have been or are proposed to be put in place”.

Carried

By leave of the Council Councillor Wagland amended further as follows an amendment, notice of which she had given in the papers circulated as part of the Council agenda:

- (i) renumbering (2) to (3) in the last paragraph;
- (ii) adding the following words as (4):

“(4) Refers to the Overview and Scrutiny Committee the detail of procedure for reporting such complex and sensitive contracts to Councillors and the procedure to be followed in the event that the Council is considering entering into such contracts”.

Second amendment moved by Councillor Wagland and seconded by Councillor Philip

“That the following additional decision be added:

“That, pursuant to recommendation (2) of the Audit and Governance Committee report, the Council:

(1) notes the receipt from Mr Richard Bint of PKF Partners, the Council’s external auditors, of a report dated 26 May 2011 concerning his review of the granting of a fixed term employment contract to the Chief Executive in 2007;

(2) resolves to adopt the report and respond to its findings as set out below:

(a) on point 1 (Appropriate Legal Advice) of “lessons to be learned” on the page 5 of Mr Bint’s report:

(i) that appropriate legal advice will be taken where necessary in respect of any such contract of employment from a lawyer familiar with the relevant legislation;

(ii) that, in the event that such specialist knowledge is not available within the Council, appropriate external legal advice will be obtained by the Solicitor to the Council and obtained by means of the Council’s agreed procurement procedures;

(b) on point 2 (Staff Awareness of Fixed Term Contracts) – that written advice be issued to all relevant staff on the principal features of such contracts as a matter of priority;

(c) on point 3 (Pre-Contract Scrutiny) – that arrangements be made to ensure that, in respect of all contracts of equivalent or greater significance, any unusual features identified be tested and their legal, financial and human resources implications clarified;

- (d) on point 4 (Reporting to Councillors) – that all reports dealing with contracts of the kind referred to above be checked so that any unusual features are identified and their purpose and legal, financial and human resources implications clarified;
- (3) asks the Committee for the Appointment of a Chief Executive to bear these decisions in mind as part of its current consideration of the Chief Executive position; and
- (4) refers to the Overview and Scrutiny Committee the detail of procedure for reporting such complex and sensitive contracts to Councillors and the procedure to be followed in the event that the Council is considering entering into such contracts”.

Carried

Report as amended ADOPTED

RESOLVED:

- (1) That, pursuant to recommendation (2) of the Audit and Governance Committee report, the Council:
- (a) notes the receipt from Mr Richard Bint of PKF Partners, the Council's external auditors, of a report dated 26 May 2011 concerning his review of the granting of a fixed term employment contract to the Chief Executive in 2007;
- (b) resolves to adopt the report and respond to its findings as set out below:
- (i) on point 1 (Appropriate Legal Advice) of “lessons to be learned” on the page 5 of Mr Bint's report:
- (aa) that appropriate legal advice will be taken where necessary in respect of any such contract of employment from a lawyer familiar with the relevant legislation;
- (bb) that, in the event that such specialist knowledge is not available within the Council, appropriate external legal advice will be obtained by the Solicitor to the Council and obtained by means of the Council's agreed procurement procedures;
- (ii) on point 2 (Staff Awareness of Fixed Term Contracts) – that written advice be issued to all relevant staff on the principal features of such contracts as a matter of priority;
- (iii) on point 3 (Pre-Contract Scrutiny) – that arrangements be made to ensure that, in respect of all contracts of equivalent or greater significance, any unusual features identified be tested and their legal, financial and human resources implications clarified;
- (iv) on point 4 (Reporting to Councillors) – that all reports dealing with contracts of the kind referred to above be checked so that any unusual features are identified and their purpose and legal, financial and human resources implications clarified;

- (2) That the Committee for the Appointment of a Chief Executive be asked to bear these decisions in mind as part of its current consideration of the Chief Executive position;
- (3) That the Council refers to the Overview and Scrutiny Committee the detail of procedure for reporting such complex and sensitive contracts to Councillors and the procedure to be followed in the event that the Council is considering entering into such contracts; and
- (4) That a report be made to a future Audit and Governance Committee as to the procedures which have been or are proposed to be put in place.

CHAIRMAN