



# RESOURCES AND GENERAL SERVICES COMMITTEE

Members of the Resources and General Services Committee  
are summoned to attend a Meeting at **7.45pm** on  
**Wednesday 15 February 2017**  
at 1 Buckingham Court, Rectory Lane, Loughton  
to transact the business shown in the agenda.

**Enid K Walsh**  
**Town Clerk**  
9 February 2017

**Councillor S Pewsey (Chairman)**  
**Councillor J Angold-Stephens (Vice Chairman)**

Councillors

M Dalton  
S Murray

J Jennings  
A Omer

J Mahoney

Note to Councillors:  
If you are unable to attend the meeting,  
please phone your apologies to the office on 020 8508 4200.

## A G E N D A

- 1 Apologies for absence**  
To RECEIVE any apologies for absence.
- 2 Declarations of Interest**  
Councillors to declare any pecuniary or non-pecuniary interest in any items on the agenda.
- 3 Confirmation of Minutes**  
To CONFIRM the minutes of the meeting held on 11 January 2017.
- 4 Public Representations**  
To hear any representations from members of the public who have registered a request to address the Committee in accordance with no 5, Appendix C, of the Standing Orders.
- 5 Matters for Report**  
To REPORT any further significant information on matters which have been previously discussed, in addition to those which may already be included on the agenda.

### **5.1 Accounts and Audit**

#### **5.1.1 Accounts and Audit 2015/16 – Min no RG16.1**

To NOTE the apology received from the Director of Resources at Epping Forest District Council regarding the amendment made, without notification, to the Town Council's precept figure in February 2015, which impacted on the audit statement for that year.

\*

A copy of the letter is provided on page 5.

#### **5.1.2 External Audit**

For information: On 30 November 2016, the Smaller Authorities Audit Appointments announced the conclusion of its procurement process and the award of limited assurance review contracts for five years to the successful external audit firms. Responsibilities under the new contracts will relate to accounts from the financial year beginning on 1 April 2017.

For Loughton Town Council and the whole of Essex, PKF Littlejohn LLP will continue in their role as external auditor for the period up to 2022.

### **5.2 Staff Handbook**

As previously reported, the Council's HR advisor, Peninsula, has recommended that a number of minor amendments be made to the Handbook to meet recent changes in legislation and best practice. These have now been notified and accepted by all members of staff.

The amendments include matters such as shared parental leave, valid driving licences, third party involvement in disciplinary/grievance meetings, the public interest test for whistle blowers and gross misconduct to include possession, or being under the influence, of drugs at work (both illegal and psychoactive (mind-altering) substances).

The Committee is asked to NOTE these amendments. A copy of the revised handbook has been previously circulated to all members.

## **6 Financial Assistance**

### **6.1 General Applications 2017/18**

- \* See attached report (pages 6 – 10) and Appendix 1 sent under separate cover, which contains abridged copies of the financial assistance application forms. The full application papers including the detailed financial information may be viewed by prior arrangement with the Deputy Town Clerk at the Council Offices.

## **7 Finance**

### **7.1 Internal Audit**

For information, the Council's internal auditors, Auditing Solutions, are scheduled to attend the Council Offices on 13 February 2017 for their second interim visit. A copy of their report will be circulated to all members in due course.

### **7.2 Payments Procedures**

The Committee is asked to review the following:

**7.2.1** The list of direct debit payments currently made by the Council, noting that all instructions and the direct debit mandates had been previously approved by the Council and the mandates authorised by two councillor signatures;

**7.2.2** The list of authorised signatures for each bank account; and

**7.2.3** The limits of authority for each account signatory.

- \* See attached report (pages 11 – 12).

### **7.3 Mileage allowances**

The current mileage allowance paid to councillors and employees for pre-approved journeys is 45p per mile. Of this, the fuel element for a mid-range vehicle is 12p which includes VAT of 2p. The HMRC now allow for this VAT to be reclaimed.

The Committee is asked if it wishes to introduce the recovery of VAT on the fuel element of this allowance with effect from 1 April 2017.

This would require all claim forms to be accompanied by a VAT receipt for fuel purchased during the same period amounting to at least the sum claimed. For 2016/17 for the period to date, the total claim would have amounted to slightly in excess of £100.

### **7.4 Financial Position**

- \* The current financial report is attached together with details of the Committee's earmarked reserves (see pages 13 – 14).

A note of the Council's current bank balances and most recent bank reconciliations will be circulated at the meeting.

**7.5 Accounts Paid**

Payments totalling £174,137.38 as detailed on payments schedules nos 227 – 230 have been made since the report to the meeting on 7 December 2016. The schedules and accompanying invoices will be available at the meeting for inspection.

For information, details of all Council payments in excess of £250 are provided on the Council's website on the strategic documents page.

**8 Financial Regulations**

**8.1 Annual Review**

The Committee is asked to carry out the annual review of the Financial Regulations and check they meet the Council's requirements. Any recommendations will need to be considered and agreed by full Council.

The current regulations may be found on the Council's website at <http://tinyurl.com/gv3spvh>

**8.2 Financial Limits**

The Committee is asked to review the financial limits below and decide if they are adequate.

Topic	Amount	Last reviewed	Last changed
Limit of imprest on no 2 a/c	35,000	Feb 2016	April 2010
Limit of officers signing cheques on no 2 a/c	150	Feb 2016	April 2010
Limit of imprest on Security Deposits a/c	3,000	Feb 2016	April 2006
Limit of cheques on Security Deposits a/c	none	Feb 2016	April 2006
Petty cash imprest	150	Feb 2016	-
Urgent repair work etc without budgetary provision (FR 3.4)	5,000	Feb 2016	April 2008
Additional audit work of external auditor (FR 12.1)	750	Feb 2016	May 2004
Tenders to be obtained (FR 12.3, 12.6 & 12.8)	over 50,000	Feb 2016	May 2004
3 quotes to be obtained (FR 12.8)	10,000 to 50,000	Feb 2016	May 2004
3 estimates to be obtained (FR 12.8)	2,000 to 10,000	Feb 2016	May 2004
Public Contracts Regulations 2015 apply	over £25,000	Feb 2016	Feb 2016
Bad debts may be written off by RFO	250	Feb 2016	Feb 2014
Credit card:			
No 1 Town Clerk	1,000	Feb 2016	Nov 2004
No 2 Services Manager	500	Feb 2016	Feb 2014

Officers have no recommendations at this time.

**9 Insurance – Annual Review**

\* See attached report (pages 15 – 17).

**10 Essex Pension Fund**

\* See attached report (pages 18 – 19).

**11 Health and Safety Policy**

The Committee is asked to undertake the bi-annual review of the Council's Health and Safety Policy. A copy may be viewed at <http://tinyurl.com/gnpb59u>

**12 Training Strategy**

The Committee is asked to review the training strategy to ensure it meets the Council's needs. A copy may be viewed at <http://tinyurl.com/hk8sugw>

In the current financial year, in addition to the induction training provided for all members in May 2016, five councillors have attended courses on topics including the Code of Conduct, Planning and enforcement, and general councillor training.

Eight members of staff have attended training on a wide range of topics including routine playground inspections, customer care, a cemetery workshop on creating a garden of remembrance, VAT for town and parish councils, social media, fire extinguisher training and basic legionella awareness.

**13 Future Work of the Committee**

The opportunity for members to suggest topics to be considered by the Committee at a future meeting, subject to the Committee's agreement.

Note: No substantive discussion may take place under this item as the required statutory notice of the topics will not have been given.

**Enid K Walsh**  
**TOWN CLERK**  
9 February 2017

**Agenda item 5.1.1**  
**Accounts and Audit 2015/16**

Date: 26 January 2017

27 JAN 2017

Our ref: BP/PT  
Your ref:



**Resources Directorate**

Civic Offices High Street  
Epping Essex CM16 4BZ

Telephone: 01992 564000  
Facsimile: 01992 560092  
DX: 40409 Epping

Director of Resources:  
Bob Palmer

Enquiries to:

Loughton Town Council  
Town Clerk  
1 Buckingham Court  
Rectory Lane  
Loughton  
Essex  
IG10 2QZ

Bob Palmer: (01992) 564279  
email: bpalmer@eppingforestdc.gov.uk

Dear Sir/Madam,

**Council Tax and Precepts**

I would like to convey my sincere apologies for the unfortunate issue with the precept figures for 2015/16 and the impact this had on your local authority and your external audit reports. I do regret any difficulty or embarrassment that was suffered and can assure you that this was certainly not our intention.

Yours faithfully,



*BP*  
Bob Palmer  
Director of Resources

## Agenda item 6.1

### Financial Assistance 2017/18

Please note that information about the person making the application has been supplied to the Council but not reproduced in the appendix for reasons of data protection.

As previously agreed a working group of three councillors, consisting of the Chairman and Vice Chairman of this Committee and Cllr Murray, met on 31 January 2017 to consider the applications in detail and prepare recommendations for consideration by this Committee. These are shown in column 3 of the table provided on pages 7 – 9.

In line with Council policy, approximately ten per cent of the general grant budget was not allocated as this is held back for emergency applications during the year.

#### Declarations of Interest

The Committee is asked to note that during the meeting of the working group Cllr Pewsey declared a pecuniary interest in the applications from the Loughton Arts Festival, Loughton Festival, Love Loughton, St Mary's Church Hope Centre Building Fund and Ignite and took no part in the discussions. Cllr Pewsey also declared a non-pecuniary interest in the application for Music@LMC.

Cllr Angold-Stephens declared a pecuniary interest in the application for the Loughton Methodist Church and took no part in the discussion. Cllr Angold-Stephens also declared a non-pecuniary interest in the applications for Music@LMC, Restore Community Centre, Restore Youth Activities and Noah's Ark Toddler Group.

Cllr Murray declared a pecuniary interest in the applications for the 7<sup>th</sup> Epping Forest Scouting Group, 41<sup>st</sup> Globetrotters Explorer Scout Group, Loughton Methodist Church, Music@LMC, New Vistas, Reindeer Explorer Scout Unit, and Spark, and took no part in the discussions. Cllr Murray also declared a non-pecuniary interest in the applications for GROW Community Garden, Loughton Festival, Loughton Youth Project, Love Loughton, Restore Community Centre, Restore Youth Activities, Noah's Ark Toddler Group, and Spark.

Judging criteria – the following principles were used in preparing those recommendations:

- How well the project met the needs of the local community and provided a positive benefit to a significant number of Loughton residents.
- How effectively the group would use the grant.
- Whether the costs were appropriate and realistic.
- What level of contributions had been, or would be, raised locally.
- Whether the organisation or group should reasonably have been expected to obtain sufficient funding from another, perhaps more appropriate source.
- How the organisation or group was managed, as indicated by its constitution.
- For larger projects, was the proposal sustainable in the long term.

In the following table, items shown in **bold** are those for which the Council has no specific statutory power to spend money and therefore any grant must be approved under Section 137 of the 1972 Local Government Act. However, the Council must first be satisfied that in incurring this expenditure, there will a direct benefit to the town or part of the town, or to some or all of the inhabitants.

The maximum amount which the Council may spend per elector during 2016/17 is £7.42 or £184,400 in total.

Organisation	Amount requested £	Recommended grant £	Power	Purpose of grant
Associates of Epping Forest Field Centre	540.00	240.00	LGA 1972 s145	Forest Family Activity in May 2017
Cruse Bereavement Care Essex Area Epping Forest Client Services Committee	<b>500.00</b>	<b>220.00</b>	<b>LGA 1972 s137</b>	Running costs
7 <sup>th</sup> Epping Forest Scouting Group (1)	2,000.00	0.00	LG(MiscProv)A1976 s19	Box Trailer
41 <sup>st</sup> Globetrotters Explorer Scout Group (2)	600.00	250.00	LG(MiscProv)A1976 s19	Purchase equipment for DofE scheme
GROW Community Garden (3)	11,098.00	4,000.00	LG(MiscProv)A1976 s19	First year running cost
Loughton Arts Centre	650.00	250.00	LGA 1972 s145	Prizes – young artist competition
Loughton Festival	4,000.00	2,000.00	LGA 1972 s145	Festival costs
Loughton Methodist Church	1,000.00	500.00	LGA 1972 s145	Items for Creative Space Project
Loughton Youth Project	5,000.00	4,000.00	LGA 1972 s145	Running costs for “The Space”
Love Loughton	800.00	450.00	LGA 1972 s145	Event costs
Music@LMC	400.00	250.00	LGA 1972 s145	Music festival costs
New Vistas	400.00	250.00	LGA 1972 s145	Speakers and hall rental
Reindeer Explorer Scout Unit (4)	700.00	300.00	LG(MiscProv)A1976 s19	Subsidised camps and equipment
Restore Community Centre	4,000.00	4,000.00	LGA 1972 s133	Towards Centre running costs
Restore CC - Loughton Youth Activities	1,250.00	900.00	LGA 1972 s145	Friday night open youth club
Restore CC – Noah’s Ark Toddler Group	900.00	600.00	LGA 1972 s145	Craft material, toys and special events
Revitalise Respite Holidays	1,062.00	500.00	LGA 1972 s145	Respite breaks



Roding Road Allotment and Leisure Gardens	395.00	250.00	Allot & Small Holdings Act 1908	To provide drinking water taps
Samaritans of Redbridge	<b>700.00</b>	<b>300.00</b>	<b>LGA 1972 s137</b>	Running costs
Spark (5)	<b>6,920.00</b>	<b>3,000.00</b>	<b>LGA 1972 s137 £3,168</b> LGA 1972 s145 £3,752	Running costs Post 16 £3,168 Youth Club £3,752
St Mary's Church Loughton – Hope Centre Building Fund	2,000.00	800.00	LG(MiscProv)A1976 s19	100 upholstered chairs
St Mary's Church Loughton – Ignite (youth and children)	821.50	450.00	LGA 1972 s145	MacBook Air & table tennis table
Voluntary Action Epping Forest	1,000.00	500.00	LGA 1972 s145	Supported volunteering – transport costs
YES Partnership	<b>1,000.00</b>	<b>450.00</b>	<b>LGA 1972 s137</b>	Work training conference for young people
	47,736.50	24,460.00		

- (1) Noting the amount of grant support provided to this group in recent years, it is recommended that they be encouraged to share equipment and facilities with similar organisations. As they would be looking at other funds raising options, if and when they neared their target they were invited to reapply to the town council for assistance with the shortfall.
- (2) It is recommended that they be encouraged to share equipment and facilities, which should be available for the DofE scheme from similar groups.
- (3) Members were very supportive of this project, recognising its benefits to the community, but were unable to fund the whole amount due to budget constraints.
- (4) As with other scout groups, this unit was encouraged to look at sharing equipment and facilities to reduce costs.
- (5) Part funding recommended but the Committee is to note that this should only be a provisional award pending the outcome of a duplicate application to the PCC Fund. A further report will need to be considered by the Committee at its meeting on 12 April 2017.

**6.3 Citizens Advice Bureau**

In 2005/06 the Finance and General Policy Committee decided to include a separate budget item for a grant provision to the Citizens Advice Bureau. The budget for 2017/18 is £8,000. Details of this application are also provided in Appendix 1.

<b>Organisation</b>	<b>Amount requested £</b>	<b>Recommended Grant £</b>	<b>Power</b>	<b>Purpose of grant</b>
Epping Forest District Citizens Advice Bureau	8,000.00	8,000.00	LGA 1972 s144	Running costs

Report prepared by Shirley Haynes, Deputy Town Clerk

**Agenda item 7.2.1**  
**Payments Procedures – Direct Debits**

<b>Name</b>	<b>Gross Amount</b>	<b>Frequency</b>	<b>Due date</b>	<b>Purpose</b>
Peninsula Business Services Ltd	£241.92	Monthly	4 <sup>th</sup>	HR services
Epping Forest District Council	£2,131.00	Monthly	20 <sup>th</sup>	Business rates for Buckingham Court, Kingsley & Murray Halls, RVRG & WRPF changing rooms
World Pay (formerly Streamline)	Various	Monthly	18 <sup>th</sup>	Hire of terminal for credit/debit card payments and associated fees/charges
Crown Gas & Power	Various	Quarterly	10 days after invoice date	Gas supply at Murray Hall, Kingsley Hall and Buckingham Court
Eon	Various	Monthly	Various	Electricity supply at Buckingham Court, RVRG, Cemetery, Murray Hall, Kingsley Hall, WRPF and Kings Green
Orange	Various	Monthly	30 <sup>th</sup>	Mobile phones for external staff
NatWest	Various	Monthly	27 <sup>th</sup>	Credit card purchases (in full, monthly)
Public Works Loan Board	£14,103.22	Half yearly	19 <sup>th</sup> Jan/July	Loan repayment Buckingham Court
Public Works Loan Board	£18,295.62	Half yearly	28 <sup>th</sup> Mar/Sept	Loan repayment Murray Hall (1)
Public Works Loan Board	£17,849.89	Half yearly	1 <sup>st</sup> June/Dec	Loan repayment Murray Hall (2)

**Agenda item 7.2.2 – Authorised Signatories  
No 1 CURRENT ACCOUNT (NatWest)**

<b>Position</b>	<b>Current holder 16/17 As agreed at Annual Council meeting 18 May 2016</b>
Town Mayor	Carol Davies
Deputy Town Mayor	Philip Abraham
Chairman of Resources & General Services	Stephen Pewsey
Chairman of Environment & Heritage	Christopher C Pond (not in conjunction with CPP)
Chairman of Recreation	David Wixley
Chairman of Planning & Licensing	Jill Angold-Stephens
Additional Signatory see RGS Min 160.5	Caroline P Pond (not in conjunction with CCP)

**No 2 PAYROLL ACCOUNT (NatWest)**

As above plus

Town Clerk	Enid K Walsh
Deputy Town Clerk	Shirley Haynes
Officer	-
Chairman of Resources & General Services	Stephen Pewsey
Town Mayor	Carol Davies (not set up)
Chairman of Environment & Heritage	Christopher C Pond
Chairman of Planning & Licensing	Jill Angold-Stephens

**No 5 For & on behalf of Loughton Town Council – Security Deposits (NatWest)**

Town Clerk	Enid K Walsh
Deputy Town Clerk	Shirley Haynes
Officer	Paul Hoy

**NatWest Business Reserve**

The Town Clerk, Deputy Town Clerk, Admin Officer (as on No 2 a/c), Town Mayor and Chairman of Resources Committee.

**Santander Business Reserve Account**

Chairman of Resources & General Services	Stephen Pewsey
Chairman of Environment & Heritage	Christopher C Pond ( <b>not in conjunction with CPP</b> )
Chairman of Planning & Licensing	Jill Angold-Stephens
Additional Signatory see RGS Min 160.5	Caroline P Pond (not in conjunction with CCP)
Operator	Enid K Walsh
Operator	Shirley Haynes

**Santander 180 Day Notice Account**

Chairman of Resources & General Services	Stephen Pewsey
Chairman of Environment & Heritage	Christopher C Pond (not in conjunction with CPP)
Chairman of Planning & Licensing	Jill Angold-Stephens
Additional Signatory see RGS Min 160.5	Caroline P Pond (not in conjunction with CCP)
Operator	Enid K Walsh
Operator	Shirley Haynes

**Nationwide Business Instant Saver**

Chairman of Resources & General Services	Stephen Pewsey
Chairman of Environment & Heritage	Christopher C Pond (not in conjunction with CPP)
Chairman of Planning & Licensing	Jill Angold-Stephens
Additional Signatory see RGS Min 160.5	Caroline P Pond (not in conjunction with CCP)
Operator	Enid K Walsh
Operator	Shirley Haynes

**7.2.3 Limits of Cheque Signing Authority on Accounts**

The Committee is asked to review these transfer arrangements and limits:

Account no	Limit
1	Member cheque signatories only - no limit; Working balance kept at around £20,000
2	Imprest account. Balance held at £35,000 to cover autopay, HMRC and pension payments. Other items subject to £150 cheque limit for officers.
3	Transfers only to no 1 Account
4	Transfers only to no 1 Account
5	Imprest account – balance held at £3,000. Security deposit refunds only - £500 cheque limit for officers.
6	Transfers only to no 1 Account
7	Transfers only to no 4 Account

## Summary Income &amp; Expenditure by Budget Heading 31/01/2017

Month No: 10

## Resources and General Services Committee

		Actual Last Year	Actual Year To Date	Current Annual Budget	Variance Annual Total	Funds Available	% of Budget
<b><u>Resources and General Services</u></b>							
Communication	Expenditure	20,174	13,242	21,800	8,558	8,558	60.7 %
Office Expenses	Expenditure	10,261	10,400	12,800	2,400	2,400	81.2 %
	Income	31	37	0	37		0.0 %
Audit	Expenditure	2,830	420	2,900	2,480	2,480	14.5 %
Central Personnel	Expenditure	278,869	250,120	297,300	47,180	47,180	84.1 %
Council Expenses (1)	Expenditure	11,676	14,503	12,500	-2,003	-2,003	116.0 %
	Income	200	609	0	609		0.0 %
Other Services (2)	Expenditure	3,274	21,789	53,750	31,961	31,961	40.5 %
	Income	0	2	0	2		0.0 %
Members' Expenses	Expenditure	2,072	199	2,900	2,701	2,701	6.8 %
Buckingham Court (3)	Expenditure	54,399	49,166	39,714	-9,452	-9,452	123.8 %
	Income	8,199	11,274	10,310	964		109.4 %
Service Re-charge (4)	Expenditure	-241,400	0	-251,000	-251,000	-251,000	0.0 %
Library	Expenditure	0	0	8,000	8,000	8,000	0.0 %
Grants (5)	Expenditure	36,886	33,052	35,500	2,448	2,448	93.1 %
<b><u>INCOME - EXPENDITURE TOTALS</u></b>							
	Expenditure	179,042	<b>392,890</b>	<b>236,164</b>	<b>-156,726</b>	<b>-156,726</b>	<b>166.4 %</b>
	Income	8,430	<b>11,921</b>	<b>10,310</b>	<b>1,611</b>		<b>115.6 %</b>
	Net Expenditure over Income	<b>170,612</b>	<b>380,969</b>	<b>225,854</b>	<b>-155,115</b>		

**Notes**

- 1) Council expenses are over budget owing to the legal fees relating to the removal of the unauthorised encampment on Hillyfields, previously reported to the Council. The income relates to legal fees paid by Roding Valley High School for its licence to use the Roding Valley Recreation Ground (£500) and a low claims insurance refund (£108.84).
- 2) The Other Services budget includes Election expenses (£36,000), Civic Service (£250), Citizenship Awards (£1,000), Future Accommodation (£15,000), QE11 90<sup>th</sup> birthday (£500) & Contingency (£1,000).
- 3) The income of £11,274 relates to the hire of the Council Chamber as a training venue.
- 4) The annual Service Re-charge is £251,000. The position as at 31.1.17 is £188,250.
- 5) Some of the grants awarded in 16/17 are yet to be claimed. An amount of £81.60 remains in the general grants budget.

**Agenda item 7.4**

**Earmarked Reserves:**

A summary of the Committee's reserves showing the end of year transfers and the amounts available from reserves in this current financial year is provided below:

<b>Resources and General Services Committee</b>	<b>31.3.16</b>
Elections	31,000
Noticeboards	2,000
Office expenses	3,570
Communication	0
Council expenses	1,907
Accommodation	13,450
Buckingham Court maintenance fund	2,000
Honours board	700
Staff costs	0
Grants	0
<b>Total</b>	<b>54,627</b>

**Agenda item 9****Insurance – Annual Review**

The Council has been insured by Aviva Insurance Limited, through WPS Insurance Brokers (specialists in local council insurance) since April 2010. A three-year long term insurance agreement with this company expires on the 31 March 2019.

The Council's current level of cover is summarised below together with the forecast levels for 2017/18. All sums insured are index linked unless noted. For the next financial year, Aviva will apply increases of 2.53% for buildings cover and 2.34% for contents. Excesses apply in almost all cases, normally £250, and also limits for some types of cover. Full details of the current policy may be seen in the office on request.

**The Committee is asked to consider and confirm:**

- 1) the level of cover as shown in the following report for 2017/18, noting that relevant items will be subject to review when the office relocation is finalised;

<b>1 Material damage – buildings &amp; subsidence</b>	<b>16/17</b>	<b>17/18</b>
Buckingham Court	507,000	519,823
Cemetery buildings	159,000	163,021
Kingsley Hall	330,000	338,346
Willingale Road Changing Room	95,000	97,403
Community Centre	2,122,000	2,175,668
Drinking fountain	22,000	22,556
RVRG changing rooms	368,000	377,307
LAC buildings	216,000	221,463
All-weather running track	41,422	42,417
War Memorial	64,000	65,619
Willingale Road Allotments	92,000	94,327
<b>2 Business Interruption</b>		
Additional expenditure (A) <i>see below</i>	100,178	100,178
Loss of revenue (B) <i>see below</i>	188,000	192,395

**(A) Business interruption (Buckingham Court):**

This cover for additional expenditure provides an indemnity for the costs incurred in an emergency relocation to alternative premises and the associated costs. The insurers have advised that the sum insured covers an indemnity period of 24 months and is index linked.

**(B) Loss of revenue (Kingsley and Murray Halls):**

In the event of an incident, this cover provides reimbursement of the amount by which the gross revenue falls short of the standard income less the cost of any business expenses saved during the indemnity period of 24 months.

	<b>16/17</b>	<b>17/18</b>
<b>3 Contents</b>		
Buckingham Court	69,000	70,613
Kingsley Hall	2,900	2,968



Murray Hall	41,832	42,810
Cemetery office & outbuildings (C)	500	5,000
<b>4 Engineering</b>		
Passenger lift	500,000	500,000
<b>5 All risks</b>		
Town Mayor's Badge of Office	2,580	2,593
Silver Gilt Chain of Office and case		
Best Allotment in Loughton Cup	1,260	1,267
Silver Plated Rose Bowl		
Noticeboard at Traps Hill	1,666	1,675
Garden Machinery (Cemetery) (C)	4,500	1,500
Garden Machinery (Willingale Road Allotments)	3,500	3,518
Skate Ramps and Associated Equipment	20,500	21,016
<b>6 Money</b>		
	<b>16/17 and 17/18</b>	
Loss of non-negotiable money	250,000	
Estimated annual carryings	10,106	
Loss of other money – in transit	1,000	
in the private residence of authorised employee	500	
on the premises during business hours	1,000	
on the premises outside business hours	500	
Personal injury (assault) benefits	Capital	10,000
	Weekly	100
<b>7 Public Liability</b>		
(incl Hirers' Liability of £2m and Environmental Statutory Clean Up Costs Cover of £1m)	10m	
<b>8 Employer's Liability</b>		
(includes up to 60 salt and grit volunteers)	10m	
<b>9 Libel and Slander</b>		
	500,000	
<b>10 Fidelity Guarantee (Employees &amp; Members )*</b>		
	1.4m	
* This level to be reviewed when end of year balances are known		
<b>11 Personal Accident (Employees, Members &amp; Volunteers)</b>		
Employees (Death)	Capital sum	5 x annual salary
Temp Total Disablement	Weekly sum	50% of weekly wage
Temp Partial Disablement	Weekly sum	25% of weekly wage
Members (up to age 80)*	Capital sum	50,000
Temp Total Disablement	Weekly sum	200
Temp Partial Disablement	Weekly sum	100

Volunteers (up to age 80)	Capital sum	10,000
Temp Total Disablement	Weekly sum	200
Temp Partial Disablement	Weekly sum	100
*specific arrangements available for those aged over 81		
<b>12 Legal Protection</b>		
Employment Disputes, Compensation Awards, Legal Defence, Property and Personal Injury, Tax Protection, Contract Disputes, Statutory Licence Protection Management Liability automatically included		250,000
<b>13 Business Travel</b> – cover for all employees, council members and accompanying spouses included automatically for journeys made in connection with council business		
Medical		1m
Personal property		2,000
Money/cheques		1,000
Disruption/cancellation		2,000
Travel delay		500 max
Personal liability		2m
<b>14 Vehicle</b> – fully comprehensive, excess of £100 (D)		
		TBC

- (C) An update to the security measures for the chapel to meet the BS EN 12320 standard is in hand. Officers have reviewed the insurance cover and are recommending an increase in the Cemetery contents insurance cover for the office and outbuildings to £5,000 and the reduction of the garden machinery all risks insurance to £1,500.
- (D) An insurance claim has recently been necessary to repair damage to the van's bodywork following contact with a brick wall due to driver error. Officers are recommending that the excess on this policy be increased to £250 upon renewal, which may help offset any increase in the annual premium.

The Committee is asked to CONFIRM these recommendations.

**Agenda item 10**  
**Essex Pension Fund**

The Committee is asked to NOTE that the employer's contribution rate for the Essex Pension Fund will increase from 16.7% to 19.9% with effect from the 1 April 2017. However, this increase will be fully offset by inclusion of the separate cash deficit amount, currently £8,697 per annum, within this contribution rate.

This is a copy of correspondence received from Essex County Council, which also includes details of the employer's contribution rates for the following two years.

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Dear Colleague

We are now able to provide you with the results of the 2016 Valuation and future rates. Town and Parish Councils (T&PCs) are pooled employers and to date the deficit of the group has been apportioned according to payroll.

Due to the nature of T&PCs the Actuary has recommended a change to ensure experience is shared with one wrapped up rate and no separate cash deficit amount, this is to ensure the whole deficit is targeted. This approach ensures that where there is a payroll change at a point the employer reflects this in payments made.

**Some background information on 2016 Valuation:**

The 2016 Valuation is the first LGPS Valuation since the Public Service Pension Act. Section 13 of this Act requires the Government Actuaries Department (GAD) to analyse all Valuations and report on compliance, consistency, solvency and cost efficiency. In particular recent guidance requires Funds to '*achieve solvency and long term cost efficiency over stability of cost to employers*'. Earlier this year the first GAD analysis was completed as a dry run on all English & Welsh Funds' 2013 reports. The Essex Pension Fund achieved green (i.e. compliant) across all measures. Further analysis by GAD on the 2016 Valuations is expected.

For the 2016 valuation, the ongoing rate has been affected by the following.

- Membership movements – this is very employer specific. With all else equal the younger the employer's membership profile the lower the cost as the contributions can be invested for longer. Overall the Actuary is reporting the membership age slightly.
- Financial assumptions – the Actuary's outlook of investment returns has deteriorated since the last funding valuation increasing the cost of the benefits. This has been the main reason for the increase in the ongoing rate.
- Mortality assumptions – after performing an analysis of the mortality over the inter-valuation period the Actuary has adjusted the mortality assumption due to a slight rise in deaths.
- Change of benefits – The effect varies due to the accrual rate of 1/60ths moving to 1/49ths for each year of pensionable service following the CARE scheme implementation 1<sup>st</sup> April 2013.
- 50/50 scheme – the assumption at the last valuation was higher than the inter-valuation experience so this has been reduced following review of data.

Deficits most frequently rise due to assumptions adopted at one Valuation not being borne out in practice. Possible reasons for deficits arising are given below (with the opposite causing surpluses).

- Salary increases being greater than assumed.
- Pension increases being greater than assumed.
- Investment returns lower than assumed.
- More ill health retirements than assumed.
- Members receiving a pension for longer.

Funding levels are taken as the ratio of assets to liabilities. In general for the 2016 valuation, funding levels have increased. Reasons for this are:

- Salary increases have been lower than expected.
- Investment returns have been better than expected.
- Deficit contributions paid by employers to the Fund.

The new approach for Town and Parish pool will be phased in over 3 year period with 2 groups:

T1 – Councils currently paying deficit sums

T2 – Newly admitted not currently paying deficit sums

These are the rates for T1 only:

<b>Employer contributions due as a % of salary for the year beginning</b>		
<b>1 April 2017</b>	<b>1 April 2018</b>	<b>1 April 2019</b>
<b>19.9%</b>	<b>20.8%</b>	<b>21.7%</b>