



# RESOURCES AND GENERAL SERVICES COMMITTEE

Members of the Resources a General Services Committee  
are summoned to attend a Meeting

**which is to be held by ZOOM (digital meeting platform)  
on Wednesday, 24 June 2020 at 7.15pm**

in order to transact the business as shown in the agenda.

**Mark Squire**  
**Town Clerk**  
17 June 2020

**Councillor J Jennings (Chairman)**  
**Councillor J Angold-Stephens (Vice Chairman)**

Councillors

M Dalton  
S Murray

J Jogia  
A Omer

J Mahoney

Note to Councillors:  
If you are unable to attend this Zoom meeting,  
please email your apologies  
to [contact@loughton-tc.gov.uk](mailto:contact@loughton-tc.gov.uk)

## A G E N D A

### **Changes To Meetings During The Coronavirus Situation**

From 24 March 2020 'lockdown day' Loughton Town Council AUTHORISED an 'Authority to Act' to enable Council business to continue in the short-term.

From 4 April 2020 The Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020 came into effect. This enabled Town Councils to hold electronic meetings.

Loughton Town Council will participate in electronic meetings, following our Standing Orders and Financial Regulations as closely as practically possible, supported by our Remote Council Meeting Guidance (NALC), from 8 April 2020.

Electronic meetings will be open to the public in public session, minuted and recorded in accordance with ordinary Council legislation. Press and Public Participation: A meeting code will be publicly displayed to allow access to the public sessions. Members of the press and public who are not able to connect remotely will have the opportunity to input through the Town Clerk in advance of the meeting. Face to face Council and Committee meetings will resume once health and safety allows. Regulation 13 modifies the Public Bodies (Admission to Meetings) Act 1960 allowing for remote attendance by the press and public. Methods of access will be published as usual.

**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 5 February 2020.

**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 Town Clerk's 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.

**6 Christmas Card Competition 2020**

\* To note that this year's competition will be launched before the autumn meeting of this Committee, members are asked if they wish to continue with the current format. (See page 4)

**7 Flag Flying**

For information, the Town Council marked Commonwealth Day by flying the Commonwealth flag on Monday 9 March 2020. Armed Forces Day 2020 on Saturday 27 June 2020 will be marked by flying the special flag outside the Library for the preceding week. The Town Council will also mark the occasion of Merchant Navy Day, on Thursday 3 September 2020 by flying the Red Ensign to help raise public awareness of our island nation's reliance on seafarers and shipping.

**8 Year End Accounts**

Due to the coronavirus pandemic and subsequent 'lockdown' period and following Government guidelines, our external auditors PKF Littlejohn LLP, extended the deadline for submission of the Annual Return to 31 July 2020. The statutory deadline for publishing the signed off accounts on the Town Council website was extended to Monday 30 November 2020.

Due to these extraordinary circumstances, the vetting of our year end accounts by our financial accounting company, RBS Omega had to be deferred, as was a visit by our internal auditor. New dates have now been set for 'remote' examination of the accounts and approval. RBS Omega on Monday 22 June 2020, Auditing Solutions Ltd internal audit on Friday 26 June 2020. As such the Year End Annual Return and Accounts will be submitted to the full Town Council meeting on Wednesday 8 July 2020 for approval.

N.B. The latest 2020/21 budget figures will be presented at the next Resources and General Services meeting, once the Year End 2020 accounts have been formally closed.

**9 Standing Orders - Annual Review**

The Town Council Standing Orders have been reviewed, revised and amended to comply with the National Association of Local Councils (NALC) – Model Standing Orders 2018 (England). Any existing Standing Orders which are pertinent and specific to the working of Loughton Town Council have been retained. NB Any recommendations to amend the Regulations will need to be agreed by full Council.

Draft copy of updated Standing Orders to follow.

**10 Financial Regulations – Annual Review**

The existing Town Council Financial Regulations have been updated to conform with the NALC template 2019 for England and Wales. NB Any recommendations to amend the Regulations will need to be agreed by full Council.

Draft copy of updated Financial Regulations to follow.

**11 Equal Opportunities Policy - To Review**

\* See attached report (pages 5-6).

**12 Data Protection – Statement of Policy - To Review**

\* See attached report (pages 7-8).

**13 Protocol for Town Council meetings held remotely – To Review**

\* See attached report (pages 9-10).

**14 Governance and Accountability**

This agenda item is in preparation for the completion of the Annual Return, Section 1 the Annual Governance Statement, for the year ended 2019/20 which is scheduled for the Council meeting on 8 July 2020.

Members are encouraged to refer to the following publication, "Governance and Accountability, A Practitioners' Guide", which provides advice on the accounting practices to be followed and sets out the appropriate standard of financial reporting to be followed. An electronic version may be downloaded at <http://www.nalc.gov.uk/library/publications/803-governance-and-accountability-with-appendix/file>

Alternatively, members may request a paper copy from the Council Office.

**14.1 Internal Audit**

**14.1.1 Review of the Effectiveness of the System of Internal Audit**

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

**14.1.2 Review of the Effectiveness of the System of Internal Control**

\* See attached report (see pages 13-14).

**14.2 Risk Assessment and Management**

\* See attached report (see pages 15-22).

**15 Finance**

**15.1 Current Financial Position**

\* The current financial position is attached together with details of the funds available from earmarked reserves (see page 23-24).

\* A note of the Council's current bank balances and most recent reconciliations are attached (see pages 25-31).

**15.2 Accounts Paid**

Payments totalling £243,828.81 as detailed on payment schedules nos 307-310 until 31/03/2020 have been made and entered on the accounts system, since the report to the meeting on 4 December 2019. With further payments totalling £166,765.97 as detailed on payment schedules nos 311-314 from the 01/04/2020 until 09/06/2020. The schedules and accompanying invoices will be available at the council offices for inspection once the office is open to the public.

For information, details of all Council payments in excess of £500 are provided on the Council's website on the strategic documents page.

**15.3 Precept**

The Committee is asked to NOTE that the first instalment of the Precept, 378,223, was received into the Council's Santander bank account on 28 April 2020.

**15.4 Internal Financial Check**

The usual appointment with Cllr Jogia for the next internal financial check has been postponed due to Covid 19 restrictions but an appointment will be arranged as soon as circumstances allow.

**16 Pensions Update**

\* In January 2020 Essex Pensions contacted us regarding a case called the "McCloud Judgement" which is under review. The Committee is asked to NOTE the report attached (see page 32).

**Mark Squire**  
**TOWN CLERK**  
17 June 2020

**Agenda item 6**  
**Christmas Card Competition 2020**

**COMPETITION RULES**

1. The competition is open to those who live, work or attend school/college in Loughton.
2. Photocopied entry forms are acceptable.
3. Submitting your entry will confirm your agreement to the rules.
4. Entries not in accordance with the rules will not be judged.
5. Size of paper used must be A5 (148mm x 210mm).
6. Designs may be landscape or portrait orientation.
7. Entries must be your own design and artwork, including text. The original work must be submitted, not a copy.
8. Colour or monochrome, illuminated script, drawing, photograph, picture, illuminated poem or any other artistic style may be used.
9. A 1cm-wide plain white border must be left around the design edge.
10. Entries must be suitable for copying and printing.
11. Receipt of entries will not be acknowledged and no responsibility for entries is accepted.
12. The overall winning entry and its copyright remain the property of the Town Council.
13. Entries will not be returned unless they are accompanied by a stamped addressed envelope.
14. The judges' decision is final.
15. The following judging criteria will used to select the winners of the competition:
  - \* Overall artistic appeal
  - \* Creativity and originality
  - \* Quality of execution
  - \* Suitability for printing as a greeting card

**Agenda item 11**

**EQUAL OPPORTUNITIES POLICY**

Loughton Town Council acknowledges its responsibilities under the Equality Act 2010 and the obligations of the Public Sector Equality Duty in Section 149.

The Council is fully committed to recognising and embracing diversity in the local community and pursuing an equal opportunities approach in the employment of its staff and the way in which services are provided for the public.

**A) STATEMENT OF POLICY**

1. We recognise that discrimination is unacceptable and although equality of opportunity has been a long standing feature of our employment practices and procedure, we have made the decision to adopt a formal equal opportunities policy. Breaches of the policy will lead to disciplinary proceedings and, if appropriate, disciplinary action.
2. The aim of the policy is to ensure no job applicant, employee or worker is discriminated against either directly or indirectly on the grounds of age, disability, gender reassignment, marriage and civil partnership, pregnancy or maternity, race, religion or belief, sex or sexual orientation.
3. We will ensure that the policy is circulated to any agencies responsible for our recruitment and a copy of the policy will be made available for all employees and made known to all applicants for employment.
4. The policy will be communicated to all private contractors reminding them of their responsibilities towards the equality of opportunity.
5. The policy will be implemented in accordance with the appropriate statutory requirements and full account will be taken of all available guidance and in particular any relevant Codes of Practice.
6. We will maintain a neutral working environment in which no employee or worker feels under threat or intimidated.

**B) RECRUITMENT AND SELECTION**

1. The recruitment and selection process is crucially important to any equal opportunities policy. We will endeavour through appropriate training to ensure that employees making selection and recruitment decisions will not discriminate, whether consciously or unconsciously, in making these decisions.
2. Promotion and advancement will be made on merit and all decisions relating to this will be made within the overall framework and principles of this policy.
3. Job descriptions, where used, will be revised to ensure that they are in line with our equal opportunities policy. Job requirements will be reflected accurately in any personnel specifications.
4. We will adopt a consistent, non-discriminatory approach to the advertising of vacancies.
5. We will not confine our recruitment to areas or media sources which provide only, or mainly, applicants of a particular group.
6. All applicants who apply for jobs with us will receive fair treatment and will be

considered solely on their ability to do the job.

7. All employees involved in the recruitment process will periodically review their selection criteria to ensure that they are related to the job requirements and do not unlawfully discriminate.
8. Short listing and interviewing will be carried out by more than one person where possible.
9. Interview questions will be related to the requirements of the job and will not be of a discriminatory nature.
10. We will not disqualify any applicant because he/she is unable to complete an application form unassisted unless personal completion of the form is a valid test of the standard of English required for the safe and effective performance of the job.
11. Selection decisions will not be influenced by any perceived prejudices of other staff.

**C) TRAINING AND PROMOTION**

1. Senior staff will receive training in the application of this policy to ensure that they are aware of its contents and provisions.
2. All promotion will be in line with this policy.

**D) MONITORING**

1. We will maintain and review the employment records of all employees in order to monitor the progress of this policy.
2. Monitoring may involve:-
  - a. the collection and classification of information regarding the race in terms of ethnic/national origin and sex of all applicants and current employees;
  - b. the examination by ethnic/national origin and sex of the distribution of employees and the success rate of the applicants; and
  - c. recording recruitment, training and promotional records of all employees, the decisions reached and the reason for those decisions.
3. The results of any monitoring procedure will be reviewed at regular intervals to assess the effectiveness of the implementation of this policy. Consideration will be given, if necessary, to adjusting this policy to afford greater equality of opportunities to all applicants and staff.

**Agenda item 12**

**DATA PROTECTION – STATEMENT OF POLICY**

In order to operate efficiently, the Town Council has to collect and use information about people with whom it works, its staff and councillors and members of the public. The data will include:

1. personal information necessary for the administration of the following services:
  - Allotments
  - Cemetery
  - Recreation grounds and sports facilities
  - Hall hire
2. Correspondence sent to the Council via email, telephone or letter;
3. Employees' details and those of councillors; and
4. Suppliers and contractors.

NB: This list is by no means exhaustive.

Personal data may be processed on the basis that such processing is necessary for the performance of tasks carried out by a public authority acting in the public interest, out of contractual necessity or on a lawful basis.

The principles of the GDPR require that personal data:

- a. must be processed lawfully, fairly and transparently
- b. be only used for a specific processing purpose that the data subject has been made aware of and no other, without further consent
- c. should be adequate, relevant and limited i.e. only the minimum amount of data should be kept for specific processing
- d. must be accurate and where necessary kept up to date
- e. should not be stored for longer than is necessary, and that storage is safe and secure
- f. should be processed in a manner that ensures appropriate security and protection

Any personal information held by the Council will only be used for the specific purposes for which it has been provided and will not be disclosed to any other third party unless permitted or obligated to do so by law.

**Handling of personal/sensitive information**

The Town Council will, through appropriate management and the use of criteria and controls:-

- observe fully conditions regarding the fair collection and use of personal information;
- meet its legal obligations to specify the purpose for which information is used;
- collect and process appropriate information and only to the extent that it is needed to fulfil operational needs or to comply with any legal requirements;
- ensure the quality of information used and where necessary kept up to date;
- apply checks to determine the length of time information is held;
- take appropriate measures to safeguard personal information;
- ensure that the rights of people about whom the information is held can be fully exercised under the Act / Regulations. These include:
  - a. The right to be informed that processing is being undertaken;
  - b. The right of access to one's personal information within one month. No fee will be charged, although a 'reasonable' fee may be charged for repetitive, manifestly unfounded or excessive requests or further copies; and
  - c. The right to correct, rectify, block or erase information regarded as wrong information.



**Agenda item 12 – continued**

**DATA PROTECTION – STATEMENT OF POLICY**

**Notification to the Information Commissioner / Data Protection Officer**

Currently the Information Commissioner maintains a public register of data controllers. The Data Protection Act 2018 requires every data controller who is processing personal data, to notify and renew their notification, on an annual basis. Failure to do so is a criminal offence.

As a public authority, Loughton Town Council can if required under the General Data Protection Regulations appoint a Data Protection Officer, details of whom will be published once known.

Further information about the General Data Protection Regulations, your rights and the Council's obligations can be found on the ICO website: <https://ico.org.uk/>

For the purposes of the Data Protection Act 2018 (DPA) and the General Data Protection Regulations (GDPR), the data controller is Loughton Town Council. The Council's current registration number is PZ1870535.

**Agenda item 13**

**LOUGHTON TOWN COUNCIL  
PROTOCOL FOR TOWN COUNCIL MEETINGS HELD REMOTELY**

1. The Local Authorities and Police and Crime Panels (Corona Virus) (Flexibility of Local Authority and Police and Crime Panel meetings) (England and Wales) Regulations 2020 permit Town /Parish Councils to meet via remote means. This protocol is pursuant to those regulations and sets out the rules to govern the smooth running of any meeting that Loughton Town Council (LTC) chooses to hold using such remote technology and is supplemental to the Standing Orders of LTC which shall otherwise remain in full force and effect.
2. Preparation
  - Identify the platform and notify parties
  - Make agenda documents and other material available online in pdf format
  - Advise parties to use a quiet space for their computer meeting with a neutral background (if possible)and good lighting
  - Parties must ensure their connection is working , plus microphone and speakers
  - A trial run is advised
3. Parties should log-on early to ensure it works
4. Chairman introduces members, officers and parties – be brief and clear
5. The Chairman shall chair the meeting in the usual manner and issue requests and requirements to the Town Clerk to assist with the administrative control of the meeting.
6. As the Town Clerk is legally required to organise the meeting he will be noted on screen as the host which will enable him to assist with the administrative control of the meeting with deference to the requirements of the Chairman. This will enable him to share relevant documentation on screen , admit persons to the meeting , exclude persons from the meeting, observe and feed back to the Chairman where a participant uses the chat function or ‘raise my hand ‘ function . For the sake of clarification, the Town Clerk shall not chair the meeting which shall be the sole responsibility of the Chairman.
7. The Town Clerk shall organise the meeting and shall send the meeting link including meeting code and password to Councillors to enable them to log into the meeting. The Town Clerk shall also affix information to the agenda to enable persons who wish to attend the meeting to log on. LTC is fully committed to its legal obligations to allow members of the public to attend a LTC meeting.
8. Entry to each meeting shall be via a virtual waiting room where possible. In the event that a Councillor declares a disclosable pecuniary interest in an agenda item whereby they shall absent themselves for the duration of that meeting item they shall be placed in the virtual waiting room and only re-admitted to the meeting at the conclusion of that business. Where it is not possible to use a virtual waiting room any person with a disclosable pecuniary interest shall leave the meeting and await a communication from the Town Clerk before re-joining.
9. In the event of LTC wishing to debate business of a confidential nature and as a result of passing the appropriate resolution in accordance with the Public Bodies

(Admission to Meetings) Act 1960 any members of the public shall be required to log off and leave the meeting. In the event that the Town Clerk notes that they have not complied with that request he shall remove the individual(s) from the meeting to enable confidential business to be discussed.

10. The existing rules in relation to disorderly conduct at a meeting will continue to apply and in particular Standing Order clause 10. In the event that a person present at the meeting refuses to comply with any requirement by the Chairman to moderate or improve their conduct the Chairman may require that person to be removed from the meeting entirely and not to be re-admitted and the Town Clerk shall action such request accordingly.
11. With the exception of the Chairman and Town Clerk all those in attendance at the meeting shall be muted to avoid extraneous noise and to allow the smooth running of the meeting. A person shall only be unmuted and permitted to speak at the discretion of the Chairman. The Chairman will allow discussion of each agenda item in accordance with the rules contained in the existing Standing Orders to allow appropriate debate.
12. If a person wishes to speak during a meeting, they shall use the 'raise my hand' function or the chat function to communicate this wish to the Town Clerk who shall advise the Chairman. The Chairman will make the final decision on who shall be muted and for how long. Parties should
  - mute microphones when not speaking
  - remember the delay between speaking and any response
  - not speak over others – wait your turn – use hand signals
  - and after each speak revert to the Chair – all questions through the Chair
13. In relation to voting upon agenda items the Chairman shall ask each Councillor to vote by using the 'raise my hand' function or the chat function and the Town Clerk shall verbally confirm the result of each vote.
14. In the event that a document requires a signature it shall be acceptable for the document to be signed and then delivered by post to the Town Clerk.

These rules to be approved at the Resources & General Services Committee meeting dated 24 June 2020, to be further ratified at the next appropriate full Town Council meeting.

MS

## **Agenda item 14.1**

### **Internal Audit**

This report forms part of the preparation work for the completion of Section 1 of the Annual Return, the Annual Governance Statement, (which will be considered at the next meeting of the Council) with cross reference to the appropriate wording from the 'Governance and Accountability for Local Councils - A Practitioners Guide (England March 2104)'.

#### **14.1.1 THE EFFECTIVENESS OF THE SYSTEM OF INTERNAL AUDIT**

The Council is required to carry out, at least annually, a review of the effectiveness of its system of internal audit and consider the findings. This review is an integral part of continually improving governance and accountability. The result of the review will form part of the review of the effectiveness of the system of internal control (see 14.1.2).

The system of internal audit at Loughton Town Council (LTC) currently consists of:

1. the appointment of internal auditors
2. a five-year strategic plan for Internal Audit for the period up to and including the financial year 2019/20 with the proviso that the Council may request specific work by the auditor should service levels change or issues arise;
3. two visits from the internal auditors during the year, during which the auditors may have access to whatever records, documents etc they require;
4. one visit after the end of the financial year when the year-end accounts have been completed, access as above;
5. ensuring work covered during the visits is wide-ranging and includes checking the proper treatment of receipts and payments, bank reconciliations, payroll, petty cash, adherence to statutory requirements, financial procedures, systems and regulations, insurance, assets, risk management, budget setting and monitoring, and VAT;
6. receipt of a report from the internal auditor after each visit, stating the areas covered and the findings, and making any necessary recommendations for change;
7. sending a copy of the full report to all members of the Council;
8. reporting any recommendations to the Resources and General Services Committee for consideration; and
9. acting upon any decisions made by the Committee in respect of the recommendations.

As detailed in the internal auditor's reports, the work carried out by them in the last twelve months has included detailed reviews and inspections of:

- i. Accounting arrangements and bank reconciliations
- ii. Corporate governance
- iii. Review of expenditure
- iv. Assessment and management of risk
- v. Precept determination and budgetary control
- vi. Income controls
- vii. Petty cash account
- viii. Salaries and wages
- ix. Asset control, investments and loans
- x. Year-end procedures

**The Committee is asked to review the effectiveness of the system of internal audit as detailed above.**

*Notes: The Committee should base its review around the following areas and consider the extent to which the internal audit adds value and how well it helps with the delivery of the Council's objectives:*

- **Scope of the internal audit** (as listed in items 1 – 9 and i – x above).
- **Independence of the internal auditors** – currently, the Council employs Auditing Solutions who are completely independent of the Town Council. Reports are made in their own name and they play no part in the Council's management, control or decision making.
- **Competence of the internal auditors** – Auditing Solutions are a professional audit company with qualified auditors, long experience of local government and a good understanding of local councils.
- **Relationships** – Auditing Solutions have no input into other financial matters in the Council, e.g. accounting, financial statements, annual return (other than signing Section 4, Annual Internal Audit Report). The roles of members, officers and internal auditors are clearly understood.
- **Audit planning and reporting** – see point 2 above. Detailed reports are submitted following each inspection.

## Agenda item 14.1.2

### **REVIEW OF THE EFFECTIVENESS OF THE SYSTEM OF INTERNAL CONTROL**

Under the Regulations currently in force the Council is required to carry out, at least annually, a review of the effectiveness of the Council's system of internal control and publicly report its findings. The Town Council's Annual Governance statement on the Annual Return has previously included the following statement:

*We have maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.*

This system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the Town Council's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The system of internal controls currently in place includes:

Appointment of a Clerk and Responsible Financial Officer

Code of Conduct

Standing Orders and Financial Regulations

Review of internal audit arrangements and reporting

Accounting systems and records

Internal procedures

Regular reporting to the Council and its committees on financial matters (including a councillor appointed annually to carry out informal financial checks)

Budget setting, monitoring, control and reporting

Risk management

Asset management

Insurance

Review of financial limits in financial regulations and elsewhere

Setting Council objectives and priorities

External audit

#### **The Committee is asked to**

- i. review the effectiveness of the system of internal control as detailed above; and then**
- ii. to agree the following statement of internal control.**

### **STATEMENT OF INTERNAL CONTROL**

#### **1 Scope and Responsibility**

LTC is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.

In discharging this overall responsibility, the Council is also responsible for ensuring that there is a sound system of internal control which facilitates the effective exercise of the Council's functions and which includes arrangements for the management of risk.

#### **2 Purpose of the System of Internal Control**

The system of internal control is designed to manage risk at a reasonable level rather than to eliminate all risks of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the Council's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them effectively and economically.

The system of internal control has been in place at the Council for the year ended 31 March 2020.

### **3 The Internal Control Environment**

The system of internal control is based on a framework consisting of the Code of Conduct, internal regulations (including but not limited to financial regulations) and administrative procedures. It is further enhanced by the regular provision of management and financial information as appropriate to fit the Council's policy of delegation and responsibility. The system is constantly monitored by members as well as officers within the Council. In particular, the system incorporates:

- comprehensive budgeting systems, project evaluation and management appraisal
- regular reports of service delivery and project performance
- preparation and dissemination of regular financial reports measuring actual expenditure against forecasts for both revenue and capital projects
- regular review of such reports by officers, and by members in committee and full Council.

### **4 Review of Effectiveness**

The authority has responsibility for conducting, at least annually, a review of the effectiveness of the system of internal control. The review of the effectiveness of the system of internal control is informed by the work of:

- the Council and its committees, especially the Resources and General Services Committee
- the Town Clerk/Responsible Financial Officer and other staff
- the internal auditor
- the external auditor
- any other review agencies and inspectorates in their reports.

*When agreed, the Statement of Internal Control will be incorporated into the end of year accounts.*

**Agenda item 14.2**  
**Risk Assessment and Management**

The Council is asked to carry out the annual review of its Risk Assessment and Management document.

Members are reminded that the Council generally and members individually are responsible for risk management because risks threaten the achievement of policy objectives.

The Council's Risk Assessment and Management document was last reviewed in April 2019. The advice given in the Practitioners' Guide is that as a minimum, at least once each year members must:

- take steps to identify and update their record of key risks facing the Council;
- evaluate the potential consequences to the Council if an event identified as a risk takes place;
- decide upon appropriate measures to avoid, reduce or control the risk or its consequences; and
- record any conclusions or decisions reached.

The control measures already in place are detailed in the document provided on the following pages and the Council's Financial Regulations. Having identified the risk, the three main risk management tools the Council should consider are whether to:

- (i) insure;
- (ii) delegate; and/or
- (iii) self-manage.



## Agenda item 14.2

**RISK ASSESSMENT AND MANAGEMENT**

Last reviewed on 24 April 2019

Nature of risk	Hazard	Probability	Severity of impact	Risk rating	Control measures
<i>Probability/Severity of impact: L=Low M=Medium H=High</i>			<i>Risk rating values: 1 = lowest, 9 = highest</i>		
<b>Councillors</b>	Acting illegally, criminally, improperly, without authority, breach of confidentiality, inappropriate behaviour	L	L-H	2	Code of Conduct Register of Interests Declaration of personal and/or prejudicial interests Standing Orders Officers advise if any proposed action would not be legal Training
	Insufficient councillors to operate council due to unforeseen circumstances e.g. mass resignation, barred due to prejudicial interests, any other reasons	L	H	3	Seek advice/dispensation from EFDC Monitoring Officer in a timely manner. Officers maintain day-to-day activities <i>through delegation</i>
	Failure to complete/maintain/ update their Register of Interests/Gifts Failure to declare interests	L-M	M	3	Ensure all members are aware of their responsibilities Training/information/guidance Maintain Registers/inform EFDC Monitoring Officer
	Disorder/slandorous statements in public meetings	L	M	2	Effective chairing of meetings Standing Orders Code of Conduct Insurance (but does not cover all instances)
	Insufficient notice given of meetings	L	M	2	Meetings are programmed and notices sent out in good time Meeting can be re-called if necessary
	Improper claims for allowances/expenses	L	M	2	Formal scheme for payment Comprehensive claim form Procedures for payment

<b>Corporate/ Strategic</b>	Legal action against the council Councillor or employee commits an offence against a member of the public for which the council is liable	L	L-H	2	Take all measures possible to protect council from legal action Seek legal advice Insurance against liability Legal expenses insurance
	Health and Safety (all council activities, councillors, officers, members of public etc)	M	L-H	4	Health and Safety Policy Health and Safety Risk Assessments High level of health and safety awareness, training Regular inspections Preventative action Proactive maintenance Swift response to identified hazards Insurance: Public Liability, Personal Injury, Employer's
	Adverse public comment on council activities	M	M	4	Respond to major factual inaccuracies
	Users of council premises/facilities – unsuitable use, damage etc	M	M	4	Users and proposed use are checked Policies on acceptable use Conditions of hire, damage deposits Material damage insurance
	Poor relationship with principal authorities	M	M-H	5	Maintain good lines of communication
	Projects fail leaving significant contingent liabilities	L	M-H	2.5	Project management, monitor projects Build-in checks to reduce the possibility of failure Mitigate the effects of failure Be aware of potential risk factors when commencing new projects, acquiring new properties, responsibilities, etc.
	Lack of forward planning/council lacks sense of direction	M	M	4	Committees set priorities for matters under their control and review these regularly and when new items are proposed

<b>Corporate/ Strategic cont'd</b>	Council not re-awarded <i>QUALITY</i> status	M	M	4	Strive to continue to meet criteria for <i>QUALITY GOLD</i> status
	Major disaster locally affecting the work of the council. E.g.Covid 19 pandemic	L	L-H	2	Business continuity plan React as appropriate at the time
	Failure to respond to consultations	M	M	4	Topic assessed for relevance, deadlines Put to meeting if possible or invite comments from members and ratify officer response. Acceptance that it is not always possible/desirable to respond to all consultations
<b>Meetings</b>	Failure to meet statutory requirements e.g. public access, notice, quorum, public minutes	L	M	2	Knowledge of requirements Ensure they are met Training Advice from other agencies if necessary
	Standing Orders do not meet council/statutory requirements	L	M-H	2.5	Regular review of Standing Orders Revision if necessary to comply with legislation
<b>Precept</b>	Amount insufficient or excessive	L	H	3	Careful consideration of budgets at all stages Figure of precept recommended by <i>RGS</i> Committee Figure determined by Council meeting
	Precept claim not submitted	L	H	3	Town Clerk ensures claim is submitted to EFDC within legal time limits
	Precept not paid	L	H	3	Officers check bank statements to ensure payment received

<b>Finance</b>	Fraudulent use of council funds (officers or members)	L	H	3	Financial Regulations covering all council financial activities Tight controls on financial transactions Internal audit checks Additional councillor checks on finance Fidelity Guarantee insurance - level reviewed annually
	Insufficient funds for council's desired activities	L	M	2	Budgeting process accounts for future cost of existing commitments and desired growth items Budgets are set on a prudent basis Compliance with reserves policy to ensure adequate levels of reserves are maintained to deal with unforeseen items of reasonable cost
	Committees overspend budgets	L	M	2	Income and expenditure are monitored and regular reports made to spending committees
	Fees and charges for council facilities set too low	L	M	2	Annual review of fees and charges
	Unexpected financial liability arises	L	M-H	2.5	Maintain adequate general reserves
	Council overspends and goes into deficit	L	H	2	Monitoring of funds Corrective measures
	Amount of money in general reserves departs from (above or below) level specified in Financial Regulations	M	L	2	Review general reserves annually when setting the amount of the precept
	Excessive/insufficient earmarked reserves	L	L	1	Report amounts in earmarked reserves annually with end-of-year reports to spending committees Maintain earmarked reserves for anticipated projects or requirements Consider earmarked reserves when setting budgets

<b>Finance cont'd</b>	Expenditure made outside legal power (including grants)	L	H	3	Officers identify if any proposed expenditure would not be legal Legal powers are identified for each grants application and expenditure item
	Insufficient cheque signatories due to councillors refusing to divulge personal details to bank	L	H	2	Revise Financial Regulations if necessary
	Proper accounting records not maintained	L	H	3	RFO appointed, responsible for records Financial Regulations Documented procedures Internal audit and checks
	Poor security of investments	L	H	3	Investment policy Training Monitoring guidance from Audit Commission, CIPFA & FSA
	Low returns on investments	M-H	M	5	Budget preparation Investment policy Prudent reserves policy to ensure services maintained Continual review of investment placing and interest rates
<b>Council offices and administration</b>	Total destruction, fire, break-in, flood Adverse action by third parties	M	H	5	Fire and security precautions Business Interruption and Buildings insurance
	Short term failure of supply of power, water, telephones, broadband, etc	M	M	4	Close office for duration of interruption if necessary. Work off-site
	Complete computer failure  Loss of data	L	H	3	Modern equipment used – rolling programme of maintenance/replacement Daily back-ups kept on-and off-site
	Illegal (external) access to computers	M	H	5	Security systems in place
	Improper use by employees	L	M	2	Security systems Disciplinary rules and procedures

<b>Council offices and administration cont'd</b>	Failure to respond to request made under Freedom of Information Act 2000	L	M	2	Maintenance of FOI Act Publication Scheme Procedure for dealing with requests Information Management Policy and procedures; good document control
	Infringement of Data Protection Act 2018	L	M	2	Notification to Information Commissioner Procedures for dealing with information Training
<b>Other council premises and facilities</b>	Destruction e.g. fire, flood, break-in etc Adverse action by third parties	M	H	5	Appropriate security and fire precautions Buildings insurance Business Interruption insurance
	Physical deterioration	M	M	4	Regular inspection and maintenance Improvements as required Adequate budgets for necessary work
<b>Physical Assets</b>	Council unaware of its assets	L	H	3	Maintenance of Asset Register; (minimum) annual review
	Loss or damage	M	M	4	Protection measures where possible Annual and rolling programme of maintenance/improvements Insurance where appropriate Adequate funds for "self-insured" items
	Over- or under-insurance or no insurance	L	M	2	Annual insurance review (see insurance file for details) Insurance adjusted in respect of acquisitions and disposals Insured with reputable company
	Loss of, damage to, abuse of civic regalia	L	M	2	Insurance Maintenance of items Instructions as to protocol, security etc
	Loss of legal documents e.g. property deeds	L	M-H	2.5	Kept in locked container in office Restricted access, lists of contents

<b>Employees</b>	All staff absent from office due to unforeseen circumstances (short term)	L	M	2	Maintain adequate staff cover
	All staff absent from office due to unforeseen circumstances (long term)	L	H	3	Respond as appropriate at the time Locum cover through EALC
	Long-term absence or death of key officer	L	M-H	2.5	Adequate staffing to allow cover by other officers of essential tasks; revision of task priorities Well documented procedures Employment of temporary staff
	Staff establishment unsuitable for council requirements	M	M-H	5	Regular staffing review
	Staff acting outside council instructions/policies Incompetent staff	L	L-H	2	Supervision of work Standing Orders and Financial Regulations lay down certain requirements Training
	Non-compliance with legal requirements	L	L-H	2	Awareness of legislation (officers and members) Membership of relevant bodies for advice etc Training
	Legal action against council	L	M-H	2.5	Policies and procedures in place
<b>All Risks</b>	More detailed level than included in this assessment	Various	Various		More detailed risk assessments carried out by officers and subject to regular reviews

## Agenda item 15.1

**Loughton Town Council**  
**Summary Income & Expenditure by Budget Heading 31/03/2020**

Month No: 12

**Resources and General Services Committee Report**

		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	15,931	18,132	17,600	-532	-532	103.0%
Office Expenses	Expenditure	10,890	12,053	13,850	1,797	1,797	87%
	Income	0	8	0	-8		0.0%
Audit	Expenditure	2,880	2,765	2,925	160	160	94.5%
Central Personnel	Expenditure	299,944	302,071	314,900	12,829	12,829	95.9%
	(1) Income	10,000	0	0	0		0.0%
Council Expenses	(2) Expenditure	13,405	15,689	14,270	-1,419	-1,419	109.9%
	(3) Income	0	450	0	-450		0.0%
Other Services (RGS)	(4) Expenditure	99	0	11,000	11,000	11,000	0.0%
Members' Expenses	Expenditure	2,244	2,223	2,660	437	437	83.6%
Buckingham Court	(5) Expenditure	39,281	31,721	32,576	855	855	97.4%
	Income	28,064	35,095	35,515	420		98.8%
Service Re-charge	(6) Expenditure	-257,500	0	-278,000	-278,000	-278,000	0.0%
Library	Expenditure	10,588	11,826	13,700	1,874	1,874	86.3%
Grants	(7) Expenditure	32,025	34,161	35,500	1,339	1,339	96.2%
<b><u>INCOME – EXPENDITURE TOTALS</u></b>							
	R & G S Expenditure	<b>169,789</b>	<b>152,640</b>	<b>180,981</b>	<b>28,341</b>	<b>28,341</b>	<b>84.3%</b>
	Income	<b>38,064</b>	<b>35,553</b>	<b>35,515</b>	<b>-38</b>		<b>100.1%</b>
	Net Expenditure over Income	<b>131,725</b>	<b>117,087</b>	<b>145,466</b>	<b>28,379</b>		

**Notes:**

- (1) The £10,000 Income is the Local Services Fund Grant (ECC) towards an Apprentice; currently Colleges are closed due to COVID 19 so this is postponed until they reopen.
- (2) Council Expenses were slightly higher than budgeted due to legal fees for Loughton Cricket Ground Lease.
- (3) Council Expenses Income of £450 was compensation from the Bank for bad service.
- (4) Other Services budget includes £9K for elections, £1,000 for the Citizenship Awards and Civic Celebration plus £1,000 for contingencies.
- (5) Buckingham Court Expenditure includes the Public Work Loan of £28,208 p.a. and insurances.
- (6) Service Re-charge up to 31/03/19 is £278,000 if added to the Current Annual Budget would give a % of Budget spend of 100%
- (7) The Council awarded grants of £34,580 but only £34,161 has been claimed to date as one grant was not claimed.



**Agenda item 15.1 cont'd**

**Earmarked Reserves:**

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

<b>Resources and General Services Committee</b>	<b>01.04.19</b>
Elections	25,000
Noticeboards	1,000
Office expenses	1,300
Central Personnel - apprentice	10,000
Buckingham Court maintenance fund	2,000
Buckingham Court Rent Deposit	8,125
Total	<b>47,425</b>

Resources and General Services Committee 24 June 2020

Date: 27/05/2020

Loughton Town Council

Time: 18:11

Bank Reconciliation Statement as at 31/03/2020  
for Cashbook 1 - No 1 Current Account

Bank Statement Account Name (s)	Statement Date	Page No
Nat West no. 1 account	31/03/2020	936

Unpresented Cheques (Minus)			Amount
15/01/2020	9918	Jet & Drain Ltd	342.00
04/03/2020	9955	Deltagate Ltd	380.00
04/03/2020	9963	Beyond Ourselves	2,000.00
04/03/2020	9964	Restore Community Church	2,500.00
04/03/2020	9965	Essex Playing Fields Associati	30.00
04/03/2020	9966	Essex Playing Fields Associati	10.00
04/03/2020	9977	Regional Waste Recycling Comme	555.60
18/03/2020	9978	Philip Abraham	96.00
18/03/2020	9979	Jill Angold-Stephens	72.00
18/03/2020	9980	Philip Beales	96.00
18/03/2020	P744	Rosemary Brookes	96.00
18/03/2020	9982	Tessa Cochrane	96.00
18/03/2020	9983	Barbara Cohen	141.60
18/03/2020	9984	Mark Dalton	120.00
18/03/2020	9985	Carol Davies	137.60
18/03/2020	9986	Trevor Downing	96.00
18/03/2020	9987	Judith Jennings	96.00
18/03/2020	9988	Kevin Latchford	96.00
18/03/2020	9989	John Mahoney	96.00
18/03/2020	9990	Stella Murphy	120.00
18/03/2020	9991	Adam Omer	120.00
18/03/2020	9992	Thomas Owen	114.20
18/03/2020	9993	Caroline P Pond	96.00
18/03/2020	9994	Christopher C Pond	72.00
18/03/2020	9995	Micheal Stubbings	96.00
18/03/2020	9996	David Wixley	96.00
18/03/2020	10017	E.ON	445.10
31/03/2020	10027	P774 Beyond Ourselves (WGP)	2,331.00
31/03/2020	10028	Youth Employment Strategy	500.00
31/03/2020	9997	Barker Associates (Essex) Ltd	1,212.00
31/03/2020	10016	Epping Forest District Council	192.00
31/03/2020	9998	Total Media	345.00
31/03/2020	10018	Royal Mail Group Ltd	1,766.40
31/03/2020	10020	EALC	16.80
31/03/2020	10019	Docendo Ltd	1,515.00
31/03/2020	10001	Greenbarnes Ltd	2,223.26
31/03/2020	10006	C&T Window Cleaning Services L	110.00
31/03/2020	10000	P & L Signs Ltd t/a Signs Expr	180.58
31/03/2020	10002	British Telecommunication plc	332.36
31/03/2020	10009	Ever Brite Cleaning Services L	119.64
31/03/2020	10003	Gareth Griffith	550.00
31/03/2020	10004	Giant Imaging Ltd	83.27

Date: 27/05/2020

Loughton Town Council


Page 2

Time: 18:11

**Bank Reconciliation Statement as at 31/03/2020  
for Cashbook 1 - No 1 Current Account**

User: BS

			<u>Amount</u>	<u>Balances</u>
31/03/2020	10005	Giant Imaging Ltd	65.68	
31/03/2020	10007	The Community Heartbeat Trust	39.60	
31/03/2020	10008	Pinnacle Essex	582.00	
31/03/2020	10010	M J Anderson Maintenance Contr	40.00	
31/03/2020	10011	Regional Waste Recycling Comme	48.00	
31/03/2020	10012	Regional Waste Recycling Comme	134.40	
31/03/2020	10013	Regional Waste Recycling Comme	268.80	
31/03/2020	10014	TBS Hygiene Ltd	72.00	
31/03/2020	10015	The Comms Guys Ltd	164.51	
31/03/2020	10021	TBS Hygiene Ltd	348.00	
31/03/2020	10022	Direct-tec UK Ltd	183.01	
31/03/2020	10023	James Clayton Stone Limited	650.00	
31/03/2020	10025	Epping Forest District Council	143,082.87	
31/03/2020	10029	Direct-tec UK Ltd	161.43	
31/03/2020	10030	Cash	120.88	
				<u>165,654.59</u>
				-73,689.92
<b><u>Receipts not Banked/Cleared (Plus)</u></b>				
			0.00	
				<u>0.00</u>
				-73,689.92
<b>Balance per Cash Book is :-</b>				<b>-73,689.92</b>
<b>Difference is :-</b>				<b>0.00</b>

*Reconciled to  
Bank Statement  
24/4/2020.*  


Date: 24/04/2020  
Time: 16:29

Loughton Town Council

Page 1  
User: BS

**Bank Reconciliation Statement as at 31/03/2020  
for Cashbook 2 - No 2 Current Account**

<u>Bank Statement Account Name (s)</u>	<u>Statement Date</u>	<u>Page No</u>	<u>Balances</u>
Nat West no. 2 account	31/03/2020	274	20,510.45
			20,510.45
<b><u>Unpresented Cheques (Minus)</u></b>			<b><u>Amount</u></b>
31/03/2020 727	HMRC only 120PW00111188	6,508.95	
31/03/2020 728	Essex Pension Fund	6,379.81	
			12,888.76
			7,621.69
<b><u>Receipts not Banked/Cleared (Plus)</u></b>			
		0.00	
			0.00
			7,621.69
		<b>Balance per Cash Book is :-</b>	<b>7,621.69</b>
		<b>Difference is :-</b>	<b>0.00</b>

*Reconciled per Bank Statement  
24/4/2020 JJS*

Date: 24/04/2020  
Time: 16:31


Loughton Town Council

Page 1  
User: BS

**Bank Reconciliation Statement as at 31/03/2020  
for Cashbook 3 - NatWest Business Reserve Acc**

<u>Bank Statement Account Name (s)</u>	<u>Statement Date</u>	<u>Page No</u>	<u>Balances</u>
NatWest Business Reserve Acc	31/03/2020	50	100,447.84
			<u>100,447.84</u>
<u>Unpresented Cheques (Minus)</u>		<u>Amount</u>	
		0.00	<u>0.00</u>
			100,447.84
<u>Receipts not Banked/Cleared (Plus)</u>		0.00	<u>0.00</u>
			100,447.84
		<b>Balance per Cash Book is :-</b>	<b>100,447.84</b>
		<b>Difference is :-</b>	<b>0.00</b>

*Reconciled as per  
Bank Statement  
24/4/2020*



Date: 24/04/2020

Loughton Town Council

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**Bank Reconciliation Statement as at 31/03/2020  
for Cashbook 4 - Santander Business Reserve Acc**

User: BS

<u>Bank Statement Account Name (s)</u>	<u>Statement Date</u>	<u>Page No</u>	<u>Balances</u>
Santander	30/06/2019	62019	0.00
Santander	31/03/2020	42020	560,207.94
			<u>560,207.94</u>
<u>Unpresented Cheques (Minus)</u>		<u>Amount</u>	
		0.00	
			<u>0.00</u>
			560,207.94
<u>Receipts not Banked/Cleared (Plus)</u>			
		0.00	
			<u>0.00</u>
			560,207.94
		<b>Balance per Cash Book is :-</b>	<b>560,207.94</b>
		<b>Difference is :-</b>	<b>0.00</b>

*Reconciled as per Bank  
Statement 24/04/2020*  



Date: 24/04/2020  
Time: 16:32

Loughton Town Council

Page 1  
User: BS

**Bank Reconciliation Statement as at 31/03/2020  
for Cashbook 5 - Security Deposits Current a/c**

<u>Bank Statement Account Name (s)</u>	<u>Statement Date</u>	<u>Page No</u>	<u>Balances</u>
Security Deposits Current a/c	29/02/2020	320	1,800.00
			<u>1,800.00</u>
<b><u>Unpresented Cheques (Minus)</u></b>		<b><u>Amount</u></b>	
22/01/2020 216 Mrs Elif Akser		250.00	
			<u>250.00</u>
			1,550.00
<b><u>Receipts not Banked/Cleared (Plus)</u></b>			
		0.00	
			<u>0.00</u>
			1,550.00
		<b>Balance per Cash Book is :-</b>	<b>1,550.00</b>
		<b>Difference is :-</b>	<b>0.00</b>

*Reconciled as per Bank  
Statement 24/04/2020*  


Date: 24/04/2020

Loughton Town Council


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Time: 16:32

**Bank Reconciliation Statement as at 31/03/2020  
for Cashbook 6 - Nationwide Instant Saver Acc**

User: BS

<u>Bank Statement Account Name (s)</u>	<u>Statement Date</u>	<u>Page No</u>	<u>Balances</u>
Nationwide Instant Saver Acc	31/03/2020	53	103,443.01
			103,443.01
<u>Unpresented Cheques (Minus)</u>		<u>Amount</u>	
		0.00	
			0.00
			103,443.01
<u>Receipts not Banked/Cleared (Plus)</u>			
		0.00	
			0.00
			103,443.01
		<b>Balance per Cash Book is :-</b>	<b>103,443.01</b>
		<b>Difference is :-</b>	<b>0.00</b>

*Reconciled as per Bank  
account 24/04/2020*  




**Agenda item 16**  
**Pensions Update**

**MCCLLOUD JUDGEMENT**

In 2015 the Government changed the Essex Pension Scheme from a Final Scheme to an Average Salary Scheme. This was perceived to affect the Pensions of the long standing members so a clause was added that if you were within 10 years of retirement you could stay in the final Salary Scheme.

The member of the Judicial and Firefighters Scheme complained that this was age discrimination and that only older members would benefit from this and younger and newer members would potentially get lower pensions.

*“The case was brought by members of the Judicial and Firefighters’ pension schemes and relates to the transition protection offered to some members of the final salary schemes when the schemes were reformed in 2015. The transitional protection allowed those members who were within 10 years of normal pension age to remain in their final salary scheme. The complainants argued that allowing some members to remain in the more expensive final salary provisions based on their age was discrimination on age grounds. In December 2018, the Court of Appeal determined that the transitional protection offered to some members of the scheme was discriminatory on age grounds.”*

This was taken to the Court of Appeal, who found that:

*“the Government should have justified the discriminatory impact (i.e. of leaving older members in the final salary arrangements thereby giving them better arrangements than younger ones), but that it had failed to do so.”*

This is now with the Employer Tribunal and until they make a decision we do not know the outcome.

No decision has been made yet and there is no definitive date on when it will happen but they are guessing it might be within the year.

If the complaint is carried it might mean any members of the pension before this time i.e. prior to 2015 as below in 2014 will be allowed the benefits of a Final Salary Pension rather than an Average Salary.

Loughton Town Council are being asked to keep information of any members of the scheme prior to 2015.

Types of records that must be kept

By law, there are two different types of records that an employer must keep. These are: • Records about jobholders and workers: e.g. name, National Insurance number, opt-in notice and joining notice • Records about the pension scheme: e.g. employer pension scheme reference and scheme name and address.

Most of these records must be kept for a minimum of six years, with the exception of those relating to opt-outs, which must be kept for four years.

Therefore if the McCloud Case is decided in favour of the complainant it could affect these members hence why we are being instructed not to destroy any records.