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## **The Minutes of the meeting of the Audit, Governance and Standards Committee, held in Committee Room 1, County Hall, Chelmsford on Monday 25 July 2022**

[A YouTube recording of the meeting is to be found online.](#)

### **Present:**

#### **Members of the Committee:**

Councillor A Hedley	Chairman
Councillor S Barker	
Councillor M Platt	
Councillor D King	
Councillor L Shaw	
Councillor L McKenzie	

#### **ECC Officers:**

Christine Golding	Chief Accountant
Stephanie Mitchener	Director, Finance
Sophie Crane	Senior Democratic Services Officer
Judith Dignum	Democratic Services Officer
Paul Turner	Director, Legal and Assurance (Monitoring Officer) joined the meeting online via Zoom.

### **Welcome and Introduction**

Councillor Hedley, the Chairman of the Audit, Governance and Standards Committee, welcomed those in attendance.

## **1. Membership, Apologies, Substitutions and Declarations of Interest**

The report of Membership, Apologies and Declarations was received, and it was noted that:

1. The membership of the Audit, Governance and Standards Committee was as shown in the report.
2. Apologies had been received from Councillor Siddall, Councillor McQuiggan and Mr Atta UI-Haque, Independent Member appointed to the Committee. It was noted that Cllr McQuiggan would join the meeting online via Zoom and therefore would not be able to participate in any vote.
3. No declarations of interests were made.

The Chairman, Councillor Hedley, reminded members that any interests must be declared during the meeting if the need to do so arose.

## **2. Minutes and Matters Arising**

The minutes of the meeting held on Monday 27 July were approved as a correct record and there were no matters arising.

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### **3. Draft Statement of Accounts and draft Annual Governance Statement for 2021/22 (AGS/21/22)**

Christine Golding, Chief Accountant introduced the report and highlighted the following points:

- The report had originally been scheduled for the Committee's previous meeting but was deferred pending the anticipated outcome of the CIPFA LASAAC consultation on proposed changes to the Accounting Code on accounting for infrastructure assets. The situation had become a national issue, resulting in widespread delays across the sector.
- As the 2021/22 draft Statement of Accounts had been prepared in line with existing accounting policy, amendments may be required in the event that the eventual solution for infrastructure assets indicated a different accounting treatment.
- The accounts included key financial statements, accounting policies and information to explain the year-end position. Group accounts, which consolidate the Council's accounts with those of its two main subsidiaries, Essex Cares and the Essex Housing Development LLP, were also included, as were the accounts for the Pension Fund.
- The position in the financial statements was consistent with the outturn position reported to Cabinet in June 2022.

It was confirmed that the 2020/21 accounts had not been yet signed off by the Council's external auditors, who were also yet to start work on the 2021/22 accounts.

Councillor Hedley thanked the finance team for their hard work and diligence, highlighting the conclusion of the narrative report of the accounts. This indicated that through careful planning and robust financial management the Council had been able to set resources aside to provide some mitigation in the short-term against escalating costs and to set funds aside for one-off investment in key priorities.

It was clarified that levels of sundry debt were proactively managed by the Council's income team and kept under continual review. The reported data represented a fairly typical position, broadly in line with previous years.

Paul Turner, Director, Legal and Assurance introduced the draft Annual Governance Statement and highlighted the following points:

- Overall, the Council's governance arrangements gave 'Satisfactory Assurance' for 2021/22.
- 74/75 Members had attended training on the Code of Conduct, this figure would be reset for the next Annual Governance Statement because the

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Council adopted a new Code of Conduct in May 2022. Therefore, Members were encouraged to attend training during 2022.

- The Health and Safety Executive had confirmed that it would not be taking forward the school-related health and safety issue referred to within the Annual Governance Statement as no evidence of a breach had been found.
- A list of companies with which the council is associated was included; this was in response to a recommendation from the Committee on Standards in Public Life.
- No significant governance issues were identified 2021/22, however an action plan of matters to improve or monitor had been prepared.

It was confirmed that officers were working with group leaders to support members in completing the Code of Conduct training.

### **Resolved**

1. It was noted that in line with statutory deadlines:

- The draft Statement of Accounts for 2021/22 will be published and released for external audit on or before 31 July 2022.
- The public inspection period will commence on 1 August 2022 and will run for a period of 30 working days.

2. It was noted that:

- The outcome of the recent CIPFA LASAAC consultation on proposed augmentations to the Accounting Code on accounting for infrastructure assets was still awaited.
- It may be necessary to amend the draft Statement of Accounts for 2021/22 in the event that the eventual solution for infrastructure assets requires a different accounting treatment to that applied by the Council.

3. To note the draft Annual Governance Statement for 2021/22, as appended to report AGS/21/22.

### **4. Work Programme (AGS/22/22)**

The Work Programme was noted.

### **5. Date of next and Future Meetings**

The dates were noted.

**Chairman**