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**Minutes of the meeting of the Audit, Governance and Standards Committee, held in Committee Room 1, County Hall, Chelmsford, CM1 1QH on Monday, 16 September 2019**

**Present:**

**Members:**

Councillor P Channer	
Councillor T Cutmore	Chairman
Councillor A Davies	
Councillor A Hedley	
Councillor M Maddocks	(substitute for Councillor M Platt)
Councillor R Mitchell	
Councillor Dr R Moore	
Councillor A Turrell	
Councillor A Sheldon	(substitute for Councillor A Erskine)

**Also Present:**

Barry Pryke	BDO LLP (external auditor)
David Eagles	BDO LLP (external auditor)

**ECC Officers:**

Paula Clowes	Head of Assurance
Victoria Freeman	Senior Democratic Services Officer
Andy Gribben	Senior Democratic Services Officer (clerk to the meeting)
Philip King	Deputy Chief Accountant
Paul Turner	Director, Legal and Assurance (Monitoring Officer)

**1 Welcome and Introduction**

The Chairman welcomed members of the committee, officers in attendance, the representative from the Essex Pension Fund and from BDO LLP, the Council's external auditor.

He reminded members that the meeting was being broadcast live over the internet and that the full discussion would be publicly available on the County Council's website after the meeting. He also announced the fire, health and safety information.

**2 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 for absence had been received from Councillor Erskine who was substituted by Councillor Sheldon and Councillor Platt who was substituted by Councillor Maddocks.
3. With respect to item 5 on the agenda:
  - Councillor Maddocks mentioned that he was in receipt of an Essex Pension,
  - Councillor Channer mentioned that she was a member of the Essex Cares Board which was a contributor to the Pension Scheme as is Maldon District Council on which she is an elected member,
  - Councillor Davies mentioned that he was in receipt of a deferred LGPS Pension and
  - Councillor Hedley mentioned that he was a member of the Essex Pension Fund Strategy Board,

None of these were declared as code interests or disclosable pecuniary interests in the business on the agenda.

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

### **3 Minutes and Matters Arising**

The minutes of the meeting held on 29 July 2019 were approved as a correct record and signed by the Chairman.

### **4 Internal Audit and Counter Fraud Progress Report**

The committee received a report (AGS/42/19 and appendices) from the Head of Assurance.

Members noted the position regarding Internal Audit and Counter Fraud activity in relation to the 2019/20 Internal Audit Plan (approved by the Audit, Governance and Standards Committee in March 2019) and that it reflected the situation as at 31 August 2019.

Members of the committee in noting the overdue, critical and major internal audit recommendations requested that representatives from Adult Social Care and Children, Families and Education be invited to attend the meeting in December in order to provide an update on progress made towards improving the control environment in relation to their three limited assurance audits as detailed in Appendix 3 to the report..

Members also agreed that the Chairman of the People and Families Policy and Scrutiny Committee be invited to consider if an examination by the scrutiny

committee may assist the service in resolving its resourcing or other service delivery difficulties.

Members of the committee requested that future reports to the committee include a list showing the detail behind all unrecovered overpayments in excess of £10k.

Members also requested that they be sent by email a definition the breakdown of what is shown in the report as 'Other in the table of Outcomes and Sanctions.'

It was also agreed that the Counter Fraud Manager be invited to attend a meeting of the committee in December to present a report explaining the different types of cyber frauds that affect the Council including case-studies and the control measures that are taken by the council to prevent this type of fraud.

### **Resolved**

The report was noted

## **5 Counter Fraud and Anti-Bribery Strategy**

The committee received a report (AGS/43/19 and appendix) from the Head of Assurance.

Members of the committee were advised that the Council had a duty to seek to eliminate fraud and bribery in order to protect public funds. The Council had a Counter Fraud and Anti-Bribery Strategy to outline its approach and commitment to preventing, detecting and deterring fraud and corruption. The strategy was being refreshed following the biennial review to ensure it was accurate and up to date. Members were asked to approve the updated Strategy.

### **Resolved**

1. That the updated Strategy be adopted subject to the addition of the Fraud Response Plan in the same format as was in the current strategy, provided this is circulated to the committee and no adverse comment is received by Friday 20 September.
2. That the Sanctions Policy which was set out in the previous version of the Strategy continues to have effect until it is replaced by a new policy.

**6 Annual Audit Letter - 2018/19**

The committee received the External Auditor's Annual Audit Letter (AGS/44/19 and appendix) for the year ending 31 March 2019 from David Eagles, Partner, BDO LLP (the council's external auditors)

**Resolved**

That the report be noted and the letter received.

**7 Work Programme**

The committee received a report (AGS/45/19) from Paul Turner, Director, Legal and Assurance and noted that an updated version of the report had been circulated prior to the meeting.

The Chairman reminded members of the committee that the Work Programme was subject to regular updates and he encouraged members to suggest any matter that might be included in the programme.

**Resolved**

The report was noted.

**8 Date of Next Meeting**

The committee noted that the next meeting would be held on Monday 9 December 2019, at 10.00am in Committee Room 1, County Hall.

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**Chairman**  
**9 December 2019**