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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 15 April 2024

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

## Present:

### Members of the Committee:

Cllr Anthony Hedley	Chairman
Cllr Anthony McQuiggan	Vice Chairman (from 10.25am)
Cllr Susan Barker	
Cllr Jane Fleming	
Cllr David King	
Cllr Aidan McGurran	
Cllr Mark Platt	
Cllr Laureen Shaw	
Cllr Wendy Stamp	

### ECC Officers:

Gavin Jones	Chief Executive
Christine Golding	Chief Accountant
Victoria Lian	Financial Controller
Karen Bellamy	Counter Fraud Manager
Paul Turner	Director, Legal and Assurance
Emma Tombs	Democratic Services Manager
Sophie Crane	Senior Democratic Services Officer

**Also present:** Cllr Mike Mackrory, ECC

External Auditors:  
Mr Ciaran McLaughlin BDO LLP

## Welcome and Introduction

Cllr Anthony Hedley, Chairman of the 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:

- The Membership of the Audit, Governance and Standards Committee was as shown in the report.
- Apologies had been received from Mr Atta Ul Haque, Independent Member appointed to the Committee and from Cllr Chris Siddall. Cllr Chris Siddall joined online from 10.20am.

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- There was a vacancy on the Committee which was being filled by Cllr Jane Fleming.
  - Cllr Aidan McGurran indicated that while he had no relationship with the individuals in scope for agenda item three, he had previously discussed some background issues with Mr Jon Morter.
  - No declarations of interests were made.
  - It was noted that Mr Atta UI Haque had submitted written questions and that a response would be provided to him via email and circulated to all members of the Committee. It was considered likely that the matters raised would be addressed during the course of the meeting.

Cllr Anthony 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 25 March 2024 were approved as a correct record.

## **3. Social Media Issues: Part 1 (Public Report)**

Gavin Jones, Chief Executive introduced the report, explaining that officers had sought to provide the Committee with 'raw' information, presented in a neutral way. It was for the Committee as a whole to decide if more work or further information was required.

Paul Turner, Director, Legal and Assurance introduced each section of the report, explaining what information had been provided. Paul issued a correction to the data in paragraph 10.3 of the report, the correct total for 2023/24 spend was £137,000.

Members asked a number of questions, focusing on the following:

- The quality of the vetting procedure that had applied to the individuals which the payments had been awarded to.
- The overall oversight of pandemic spend.
- The elements of the spend which predated the pandemic.
- The absence of written contracts for some of the payments.
- The difficulty of assessing Value for Money and impact, given that no outcomes had been specified at the outset of the activity.
- The lack of governance around disbursements to third parties.
- The risks related to 'arms length' communication activity.

Following consideration of the material provided, and the answers given in response to their questions, Members recommended that the issue highlighted the need for ECC to review processes relating to procurement and contract awards. This should focus on:

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- The threshold for competitive procurement processes.
  - Guidance on the Council's position on the boundary between grant awards and contracts.
  - Work to determine if wider issues existed/confirmation that this was an isolated issue.
  - The quality of contracts to ensure that clear input and outputs were specified.
  - The documenting of a strategic rationale for decisions to award contracts.

Members agreed that any changes to the procurement process should be proportionate and ensure that the council can continue to innovate and a suitable level of assessed risk whilst maintaining strong governance arrangements.

Members accepted that while there was likely to have been some value in the social media activity that had been undertaken, the actual impact was impossible to fully determine in the circumstances. The consensus reached by the committee was that the impact was not proportionate to the spend and overall did not represent value for money.

Members agreed that there was no need to commission additional independent data analysis as the general consensus was that value for money had not been achieved. Members agreed that the lessons learnt and identification of improvements should be the focus of ECC's future time and resources in relation to this matter.

Paul Turner agreed to seek information on the following points:

- Was any of the activity picked up by Internal Audit taking place at the time the payments were being made?
- More information regarding item 10.1 of the report - the rationale for not terminating the three-year arrangements which had been put in place, particularly if written contracts were not issued.
- More detail regarding the continuation of some elements of social media activity 'in house' beyond 31 March 2024 for example in relation to 'Essex is Green'.
- The relationship between the timeline of the spend and the impact of the pandemic
- Whether there was more information that the Committee could review regarding the nature of the relationships with those people that Mr Simon Harris disbursed payments to.

The meeting was adjourned between 11.55 and 12 noon.

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

It was noted that the next meeting was scheduled for 10 June 2024.

The Committee dates for 2025 had been scheduled for 24 March, 9 June, 22 September and 15 December.

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The meeting was adjourned between 12:45 and 13:15pm.

It having been moved by Cllr Anthony Hedley and seconded by Cllr Susan Barker it was **resolved** that:

The press and public were excluded from the meeting during the consideration of the remaining items of business on the grounds that they involved the likely disclosure of exempt information falling within Schedule 12A to the Local Government Act 1972, the specific paragraph(s) of Schedule 12A engaged being set out in the report or appendix relating to that item of business.

**Chairman  
2024**