

Report to the Council

Committee: Constitution Working Group (Councillor S Rackham)

Date: 2 September 2021

1. Constitution Revisions and Amendments

- (1) Recommending that the Constitution be amended to give the Audit and Governance Committee delegated authority for approving the Council's annual Statement of Accounts, with effect from the 2020/21 financial year.**
- (2) That pursuant to Recommendation (1) above, the Monitoring Officer be authorised to make necessary revisions to the Council's Constitution.**

- 1.1 Regulation 9(2) of the Accounts and Audit Regulations 2015 requires the Council to consider, either by way of a committee or by the members meeting as a whole, the Statement of Accounts, and approve the Statement of Accounts, by a resolution of that committee or meeting.
- 1.2 The Council's legal responsibilities in respect of the Regulations are reflected within the Constitution by Article 4 – The Full Council, within its Terms of Reference (section 1(c)).
- 1.3 Currently Council approval of the Statement of Accounts follows the detailed consideration given by the Audit and Governance Committee when the external audit is completed. In forming its recommendation to full Council, the Committee takes account of the findings in the external auditor's report presented alongside.
- 1.4 Regulation 20 of the Accounts and Audit (Amendment) Regulations 2021 has now amended Regulation 10 of the 2015 Regulations and requires the Council to publish its 2020/21 Statement of Accounts and supporting documents (together with any external audit certificate or opinion) by 30th September 2021 (moving the deadline forward from the 30th November requirement for the 2019/20 Statement of Accounts).
- 1.5 The legislative timetable is currently very difficult for both the Finance team and the external auditors to achieve, partly due to the two-step process in place for approving the audited Statements required by the Constitution as currently drafted. Streamlining the process by delegating authority for approving the Statement of Accounts to the Audit and Governance Committee would therefore be potentially advantageous.
- 1.6 Delegating approval of the yearly Statement of Accounts to the Audit and Governance Committee (a practice common at many comparable councils) will not reduce the robustness of the scrutiny and approval process; the Committee is well resourced for, and is experienced in, this role.
- 1.7 The agreement of the recommendations set out above will require the following revisions to the Constitution:
 - Article 4 – The Full Council, section 1(c) where reference within its Terms of Reference to 'Statutory Statement of Accounts (yearly)' will be deleted (see Appendix 1 attached – section in bold);
 - Article 11 – Audit and Governance Committee, section 3(r) within its Specific functions for External Audit and Financial Reporting (see Appendix 2 attached – proposed wording in bold with deletions).
- 1.8 We recommend as set out at commencement of this report.

- 2. Covid-19 Development Projects – Local Business Suppliers / Procurement Strategy and Rules**
- (1) Recommending that the updated Procurement Rules amended August 2021, as set out in this report, be agreed; and**
- (2) That pursuant to Recommendation (1) above, the Monitoring Officer be authorised to make necessary revisions to the Council’s Constitution, Part 4 – Procurement Rules.**
- 2.1 Cabinet agreed the updated Procurement Strategy for 2021 – 2026 and the updated Procurement Rules of January 2021 (Report ref: C-045-2020/21) at its meeting on 3 December 2020 – both of which have been effective since 1 January 2021.
- 2.2 The Procurement Strategy was updated to reflect how Procurement supported the delivery of the Council’s Corporate Objectives and Covid-19 recovery plan and is provided for information only, as part of this Cabinet report.
- 2.3 The Procurement Rules of April 2018, required an update to support the Council’s new Procurement Strategy of January 2021. This ensures that the Rules are aligned with the Strategy and helps the Council achieve its objectives. The Council has made changes to its approach to procurement to recognise the broader economic and well-being impact of existing local businesses and attract new businesses to the District.
- 2.4 Further amendments to the Procurement Rules of January 2021 were made in August 2021 to replace any references to EU law with relevant UK law following Brexit.
- 2.5 These amended Procurement Rules of August 2021 were considered by the Constitution Working Group on 2 September 2021 (see Appendix 3 attached) and recommended for approval by Council.
- 2.6 The agreement of the recommendations set out above will require the updating of the Constitution, Part 4 – Procurement Rules.
- 2.7 We recommend as set out at commencement of this report.

Background papers:

Cabinet Report (ref: C-045-2020/21) Covid 19 Development Projects – Local Business Suppliers / Procurement Strategy and Rules – please see link below to:

Constitution Working Group agenda of 2 September 2021

<https://rds.eppingforestdc.gov.uk/documents/g11020/Public%20reports%20pack%2002nd-Sep-2021%2019.00%20Constitution%20Working%20Group.pdf?T=10>