

MINUTES  
OF A MEETING OF THE  
**STANDARDS AND AUDIT COMMITTEE**

held on 5 October 2022

Present:

Mrs C Storey (Chair)

Cllr H Akberali  
Cllr A Caulfield

Cllr G T Cosnahan  
Cllr G W Elson

Absent: Councillors P J T Graves and M I Raja

**1. MINUTES**

RESOLVED

That the minutes of the Committee held on 7 July 2022 be approved and signed as a true and correct record.

**2. APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor P Graves.

**3. DECLARATIONS OF INTEREST**

In accordance with the Officer Employment Procedure Rules, the Strategic Director for Corporate Resources, Kevin Foster, declared a disclosable personal interest (non-pecuniary) interest in any items concerning the companies of which he was a Council-appointed director. The interests were such that Mr Foster could advise the Committee on those items.

In accordance with the Officer Employment Procedure Rules, the Director of Legal and Democratic Services, Joanne McIntosh, declared a disclosable personal interest (non-pecuniary) interest in any items concerning the companies of which she was a Council-appointed director. The companies were listed in the schedule attached to the agenda pack. The interests were such that Mrs McIntosh could advise the Committee on those items.

In accordance with the Officer Procedure Rules, the Finance Director, Leigh Clarke, declared a disclosable personal interest (pecuniary) in any items including reference to Woking Football Club, arising from her husband holding a small shareholding in the Club. The interests were such that Mrs Clarke could advise the Committee on those items.

**4. URGENT BUSINESS**

There were no items of Urgent Business.

## **5. UPDATE ON EXTERNAL AUDIT STA22-013**

The Chairman welcomed Steve Bladen of BDO to the meeting.

Steve reported that work was still taking place on the External Audit of the 2019/20 Statement of Accounts and that the main areas outstanding were the Minimum Revenue Provision (MRP) and the consolidation of the Group accounts. The Committee was advised that BDO had previously received the legal advice sought by the Council on MRP and that the view of BDO was in alignment. The remaining step would be for the Audit Partner to consider whether the Council held a prudent level of MRP. There had been little progress on the Group accounts as it had not been possible for the subsidiaries' Auditor, Hamlyns, to meet BDO over the Summer so that its valuations and working papers could be reviewed. Also outstanding were the review of the recoverability of loans to the Council's subsidiaries, which would be included in the consideration of MRP, and the overall value for money and resources conclusion.

The Chairman stated that it was deeply disappointing that little progress had been made since the last meeting in July and stated that the update report was almost identical to the previous version. Leigh Clarke, Director of Finance, reported that a meeting would be arranged shortly with BDO, Hamlyns and the Council shortly to gain clarity for both parties, with an update being provided at the next meeting of the Committee. Following a question by the Chairman, Steve stated that it was hoped that the review of the MRP would be completed by the next meeting.

Members expressed concern over the impact of changes required to the 2019/20 accounts on the two full years that followed. Kevin Foster, Strategic Director for Corporate Resources, stated that it was difficult for the Finance department to deal with queries regarding matters from two years ago whilst carrying out its usual functions. Steve stated that once the main two areas outstanding had been settled, it would alleviate some work from the Audits of the remaining years, noting however that Thamesway carried out some valuations on an annual basis and the Audits would not be carried out in parallel.

Steve reported that BDO had been appointed by Public Sector Audit Appointments to carry out Audits until the end of the 2022/23 Statement of Accounts and the organisation had not participated in the bidding process for the subsequent years, as it had not been felt prudent to take on further work at the present time with BDO committed to completing the Audits it had been assigned. Following a question by the Chairman, it was stated that BDO would remain sufficiently resourced to complete those Audits.

It was noted that BDO could not provide a date by when the 2019/20 Audit would be signed off. Members felt that a new section in the update report on work not yet completed would be helpful.

The Chairman reported that at the last meeting a discussion had been held on the sending of a letter expressing the concerns of the Council and following discussions it was felt that it should be addressed to Neil Harris, the Head of Local Audit at the Financial Reporting Council (FRC). A draft letter was being prepared and would be agreed with the Chairman, Leigh Clarke, the Chief Executive and the Leader or Portfolio Holder. It was expected that it would be reported to the Committee at its meeting in November that the action had been completed.

The Chairman stated that the Committee could not keep being supplied with update reports stating little progress had been made and what was particularly disappointing was that it

seemed the majority of the work had been undertaken, with the management sign-off still outstanding, and so the position was becoming untenable.

RESOLVED

That the update be received.

#### **6. ANNUAL GOVERNANCE STATEMENT 2021/22 STA22-014**

The Committee received the draft Annual Governance Statement which demonstrated the effectiveness of the Council's corporate governance environment and incorporated the Statement on Internal Control (SIC) requirements to demonstrate the Council had appropriate internal control mechanisms in place.

The Chairman referred to Principle A on page 6 and proposed that reference be made to the Protocols recently adopted by the Council, and on page 16 asked for an update to be made to the Residents Panel due to be set up during 2021.

Members welcomed the Statement alongside the Local Code of Corporate Governance attached as an Appendix, and noted that the outcome of the Constitutional Review set up by the Overview and Scrutiny Committee would also be received by the Standards and Audit Committee.

The Chairman stated that Councillor Graves had provided a couple of points to be made in his absence. On page 29, an update was requested on the Council not seeking to maintain its Charter status for Elected Member Development through South East Employers. On page 49, it was noted that the Council was ensuring the performance information that accompanies the financial statements was prepared on a consistent and timely basis.

RESOLVED

That the draft Annual Governance Statement be received.

#### **7. INTERNAL AUDIT SERVICE PROGRESS UPDATE STA22-017**

Juan Fosco of Mazars introduced the report which set out the audit activity and performance between 7 July and 22 September 2022 and stated that there were 17 Audits scheduled to be delivered by April 2023.

In the Annual Report for 2021/22, three Audits has been stated to be at the draft reports stage – Temporary Accommodation, Cyber Security and Capital Programme – with no high priority recommendations identified. There was also one report from the 2020/21 plan outstanding – Covid-19 Lessons Learned – which was being completed in liaison with the Director of Finance and relevant officers.

As of 18 August 2022, there were 21 recommendations which were now past their initially agreed implementation dates and the Council's Corporate Leadership Team had reminded officers to complete them. The overall number included one high priority recommendation related to the Empty Homes Audit, and it was noted that a paper on Empty Homes was due to be received by the Executive in November.

RESOLVED

That the report be received and progress against the 2022-23 Internal Audit Plan and implementation of Internal Audit recommendations be noted.

**8. HEALTH AND SAFETY ANNUAL REPORT STA22-012**

Joanne McIntosh, Director of Legal and Democratic Services, introduced the report before the Committee which reviewed the health and safety activity during 2021/22 and concluded that there were no matters of concern.

The Committee noted that the report was encouraging; however, there were some training courses outstanding which should have been completed by officers. It was agreed that CLT be requested to remind managers of the importance of staff undertaking the courses, both for their own safety and the wider public, and asked for an update report to be received by the Committee at its meeting in March.

RESOLVED

That the Health and Safety Annual Report be received with no matters of concern.

**9. MEMBERS' CODE OF CONDUCT STA22-015**

The Committee received the annual report which set out the number of complaints submitted under the Members' Code of Conduct, received by the Monitoring Officer between 1 August 2021 and 31 July 2022.

Joanne McIntosh reported that there had been an increase of one complaint over the previous year and that six had related to the use of social media, for which training had been provided to Members on being safe online and dealing with harassment. A Social Media policy was being drafted with the intention of being received by the Committee during the current Municipal Year.

The Committee noted the very limited powers available to the Standards Panel once a breach of the Code of Conduct had been determined.

RESOLVED

That (i) the report detailing the complaints, submitted under the Members' Code of Conduct, received by the Monitoring Officer between 1 August 2021 and 31 July 2022 be noted; and

(ii) the Monitoring Officer be advised of any areas of concern upon which the Committee would like further information and/or further work carried out.

**10. OMBUDSMEN COMPLAINTS STA22-016**

The Committee received the annual report on recent complaints to the Local Government & Social Care Ombudsman (LG&SC) and the Housing Ombudsman.

Joanne McIntosh reported that the Annual Review letter stated that the LG&SC Ombudsman undertook one detailed investigation out of a total of 11 submitted between 1

April 2021 and 31 March 2022, for which the decision was attached as an appendix to the report. It was agreed that the table in paragraph 3.5 which set out the total investigations and number upheld by each Surrey authority be amended to include the figures for Woking. The Housing Ombudsman did not issue an Annual Review letter, however a decision had been made on 13 June 2022 ordering the Council to pay £150 to a tenant due to a delay in the Council's complaints handling process, which had been made promptly.

RESOLVED

That the position regarding complaints to the Local Government & Social Care Ombudsman and the Housing Ombudsman be noted.

The meeting commenced at 7.00 pm  
and ended at 8.10 pm

Chairman: \_\_\_\_\_

Date: \_\_\_\_\_