

# ANNUAL REVIEW OF THE AUDIT AND GOVERNANCE COMMITTEE

**Meeting:** Audit and Governance Committee

**Date Of Meeting:** 20 February 2025

**Lead Officer:** Adesuwa Omoregie | Adesuwa.Omoregie@woking.gov.uk  
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## Recommendations

The Committee is requested to:

**RECOMMEND TO COUNCIL THAT The Annual Review of the Audit and Governance Committee for 2024/25 be received alongside points raised by Members at the Audit and Governance Committee meeting.**

### 1.0 Introduction

- 1.1 This is the first year of an annual report being received by the Committee for its consideration and recommendation thereon to Full Council.
- 1.2 Following the Committee Structure Review, the Standards and Audit Committee was renamed the Audit and Governance Committee from the start of the 2024/25 Municipal Year.
- 1.3 The purpose of this report is to set out a brief factual review of the Committee's work during 2024/25.
- 1.4 The meetings of the Committee are held in public with agenda packs and minutes available through the Council's website, with a webcast available on a live and subsequently recorded basis.
- 1.5 The draft agendas are received by the Corporate Leadership Team, as part of the usual process for committees, and a Chairman's Briefing is arranged prior to the committee meeting date.
- 1.6 An Action Tracker was introduced following a request at the September meeting and was backdated to the start of the year. The tracker is included as part of the work programme agenda item and is received at the start of each meeting. At the start of each new Municipal Year completed actions from the past year will be removed.
- 1.7 Newly created this year following the suggestion by the Committee is the Reference Documents area accessible via the Councillors area on Teams for the Audit and Governance Committee, which includes the Internal Audit Summary Reports.

## Annual Review of the Audit and Governance Committee

1.8 The Chairman is invited to the meetings of the Chairs' Forum held during each Municipal Year.

### 2.0 Membership and Attendance

2.1 Each year a total of five Elected Members are appointed to the Committee by Full Council; for 2024/25 these were: Councillors Guy Cosnahan, Steve Greentree, Stephen Oades; Mohammed Ilyas Raja and Leslie Rice. From the meeting of the Committee on 21 November 2024, Councillor Steve Greentree was replaced by Councillor Swati Mukherjee following his appointment to the Executive.

2.2 Claire Storey, Independent Co-Opted Member, stepped down from the role at the end of the Calendar Year after having joined the Standards Committee as it was then entitled in May 2007 and taking on the role of Chairman from May 2008. A Vote of Thanks was accorded to Claire at the meeting held on 4 December 2024.

2.3 Two new Independent Co-Opted Members – Annie Ren and Puneet Jasuja – were welcomed to their first meeting of the Committee on 21 November 2024. In line with the Articles of Constitution, Annie and Puneet have been appointed for an initial four year term, with serving Independent Co-Opted Members being eligible for re-appointment one further time.

2.4 The Committee is supported at each meeting by the following Senior Officers: Stephen Fitzgerald, Strategic Director for Finance / Section 151 Officer; Adesuwa Omoregie, Director of Legal and Democratic Services / Monitoring Officer; and Kevin Foster, Strategic Director for Corporate Resource. Further Council officers attend the meetings on an as required basis depending on the items being considered.

2.5 Representatives from the following external organisations are invited to attend the scheduled meetings of the Committee:

- Forvis Mazars (Internal Auditors)
- BDO (External Auditors until and including the 2022/23 financial year)
- Grant Thornton (External Auditors from the 2023/24 financial year)

2.6 The dates of the four scheduled annual Committee meetings are approved by Full Council at the end of each calendar year as part of the wider calendar of meetings. For 2024/25 the four usual meeting dates were held on 20 June 2024, 19 September 2024, 21 November 2024 and 20 February 2025. In addition, two ad hoc meetings were held in relation to recommending outstanding Statements of Accounts to Full Council on 29 July 2024 and 4 December 2024.

2.7 Set out below is a table showing the levels of attendance at both the scheduled meetings and the extraordinary meetings, noting that the attendance for today's meeting cannot be included:

Committee Members	Scheduled Meetings	Attendance	Extraordinary Meetings	Attendance
<i>Councillors</i>				
Cllr Guy Cosnahan	3	2	2	1
Cllr Steve Greentree*	2	2	1	1
Cllr Swati Mukherjee**	1	1	1	1

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Cllr Stephen Oades	3	3	2	2
Cllr M. Ilyas Raja	3	1	2	1
Cllr Leslie Rice	3	3	2	1
<i>Independent Co-Opted Members</i>				
Claire Storey***	3	2	2	2
Puneet Jasuja****	1	1	1	0
Annie Ren****	1	1	1	0

\* Councillor Steve Greentree was a member of the Committee until his appointment to the Executive, with his last meeting being 19 September 2024.

\*\* Councillor Swati Mukherjee joined the Committee to take the place previously held by Cllr Steve Greentree, with her first meeting being 21 November 2024.

\*\*\* Claire Storey stepped down as Chairman of the Committee and as an Independent Co-Opted Member at the end of the 2024 Calendar Year, with her last meeting being 4 December 2024.

\*\*\*\* Puneet Jasuja and Annie Ren joined the Council as Independent Co-Opted Members, with their first meeting as Committee members being 21 November 2024 (noting they also attended the 19 September 2024 meeting as observers).

2.8 The committee meetings have also been regularly attended by the Leader and Portfolio Holder for Finance.

### 3.0 Remit of the Committee

3.1 The Terms of Reference of the Committee are contained within the Council's Constitution under Part 2 – Section 1: Articles of the Constitution, with the roles and function also included under Part 3 – Section 1: Responsibility for Functions. The Terms of Reference have been reviewed, based on CIPFA guidelines, by the Head of Legal and Democratic Services / Monitoring Officer who has submitted a report, elsewhere on this agenda, which if approved by Full Council would be adopted for the 2025/26 Municipal Year. The Terms of Reference applicable for the 2024/25 Municipal Year are attached as Appendix 1.

### 4.0 Committee Meeting Activity

4.1 A summary of the agenda items received at each meeting of the Committee is set out below.

#### 20 June 2024

Internal Audit Progress Report – update since last meeting

Internal Audit Annual Report – review of the past year's internal audit work

Update on External Audit – provided by BDO

Indicative External Audit Plan 2023/24 – provided by Grant Thornton

Registration of Interests for Members Elected in May 2024

#### 29 July 2024 (extraordinary)

Statement of Accounts 2019/20, 2020/21, 2021/22

#### 19 September 2024

Updates on External Audit – provided by BDO and Grant Thornton

Internal Audit Progress Report – update since last meeting

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Internal Audit Annual Report – review of the past year’s internal audit work (updated since June meeting)

Members Code of Conduct – annual summary of complaints submitted under the Code of Conduct

Ombudsmen Complaints – annual summary of complaints dealt with by the Housing Ombudsman and the Local Government and Social Care Ombudsman

### 21 November 2024

Updates on External Audit – provided by BDO and Grant Thornton

Public Interest Report from Grant Thornton – received after consideration by Council  
Statement of Accounts 2022/23 for recommendation to Council

Internal Audit Charter – establishes Internal Audit’s position within the organisation

Internal Audit Progress Report – update since last meeting

Annual Governance Statement – for inclusion as part of the Statement of Accounts

Annual Health and Safety Report – summary from Council and subsidiaries / main contractors

### 4 December 2024 (extraordinary)

Statement of Accounts 2019/20, 2020/21, 2021/22

### 20 February 2025 (current agenda)

Review of Terms of Reference

Annual Review

Final Accounts Report 2023/24

Local Audit Reform

Updates on External Audit (BDO and Grant Thornton)

Internal Audit Charter

Internal Audit Progress Report

Internal Audit Plan 2025/26, Strategy and Proposed Plan 2026-27

Bi-Annual Review of the Anti-Fraud and Corruption and Confidential Reporting Policies

## **5.0 Training and Development**

- 5.1 A session on the LGA Model Councillor Code of Conduct Training, open to all Councillors, was held on 15 May 2024 to enable Members to gain an understanding of the Code and feel better equipped to carry out their roles effectively and lawfully.
- 5.2 A session on Audit and Assurance Mapping for Committee members was provided by a Local Government Association (LGA) appointed trainer on 12 June 2024. The session was funded by the LGA. The purpose of the session was to assist with identifying and mapping sources of assurance for the areas under the remit of the Committee.
- 5.3 The LGA subsequently appointed a representative with significant Section 151 officer experience to provide training and mentorship under the LGA’s Finance Improvement and Sustainability Associate programme. An initial session with Committee members was held on 5 September 2024, with a further session held on 15 November 2024. The sessions have also been funded by the LGA. A further session was held on 27 January 2025 which included a discussion on training requirements with the LGA representative.

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5.4 Induction sessions were also held for Annie Ren and Puneet Jasuja from the start of November following their appointments as Independent Co-Opted Members. The sessions comprised of introductory meetings with Democratic Services; the members of Corporate Leadership Team attending the Audit and Governance Committee; the Chairman and Committee members; and with the LGA representative.

### **6.0 Looking Forward**

- 6.1 A training session has been arranged on 21 May 2025 for the new Councillors appointed to the Committee for the 2025/26 Municipal Year with the Council's LGA representative. The Council would like to thank the LGA for the assistance provided to date.
- 6.2 During the next Municipal Year, the Committee will continue to seek assurance over the areas under its remit and provide robust challenge and recommendations for improvement in the areas of remit as set out in the Terms of Reference. The Committee will also request actions and consider any reports in relation to relevant matters which come to its attention during the year. The proposed Internal Audit Plan for next year is set out elsewhere on the agenda.
- 6.3 The Chairman will continue to be invited to meetings of the Chairs' Forum to enable close work to take place with the three Scrutiny Committees to ensure areas of concern are explored and any duplication in work avoided.

### **7.0 Supporting Documents**

#### Appendices

Appendix 1 – Terms of Reference (extract from Constitution dated May 2024)

Appendix 2 – Actual Work Programme 2024/25

**Report Ends**

Audit and Governance Committee Terms of Reference during the 2024/25 Municipal Year

The text below is extracted from pages 34 to 36 of the Constitution (May 2024) under Part 2 – Section 1: Articles of the Constitution.

It should be noted that the roles and function as set out in section 3.5 below are also included on pages 54 and 55 under Part 3 – Section 1: Responsibility for Functions.

Article 11 – The Audit and Governance Committee

**1.0 Audit and Governance Committee**

1.1. The Council meeting shall establish an Audit and Governance Committee composition.

**2.0 Composition**

**Membership**

2.1. The Audit and Governance Committee will comprise:

- (i) 5 Councillors; and
- (ii) 1 or 2 Independent Members.

**Independent Members**

- 2.2. The Independent Members shall be appointed by the Council for an initial term of office of four years with serving independent members being eligible for re-appointment one further time.
- 2.3. At the end of the term of office, the Council will invite applications from the general public via its website for appointment as co-opted independent members of the Audit and Governance Committee.
- 2.4. To be eligible for appointment, candidates must not be engaged in party political activity, or have been at any time in the preceding five years, a Councillor or Officer of Woking Borough Council or be a relative or close friend of a Councillor or Officer of the Council.
- 2.5. Ideally candidates will have significant experience of working at a senior level in a large, complex organisation and have a very good understanding of strategic or financial management or have sat previously on an Audit Committee.
- 2.6. The Monitoring Officer shall short-list candidates and invite them for interview by a Panel comprising two members of the Audit and Governance Committee, the Monitoring Officer and Chief Finance Officer. The recommendations of the Panel, as to appointment of co-opted independent members, shall be referred to Full Council for approval.

**Chairing the Committee**

2.7. The office of Chair shall be filled by a co-opted (independent) member. In the absence of the Chair, a meeting of the Committee shall be chaired by the Vice-Chair.

**Votes**

2.8. Independent Members are not entitled to vote at meetings.

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2.9. In the case of an equality of votes, the Vice-Chair may exercise a second or casting vote.

### **3.0 Role and Function**

3.1. The Committee has a dual purpose both as an Audit Committee and a Standards Committee.

3.2. The Committee is a key component of the Council's Corporate Governance. It provides an independent and high-level focus on the audit, assurance and reporting arrangements that underpin good governance and financial standards.

3.3. The purpose of the Committee is to provide independent assurance to Councillors of the adequacy of the risk management framework and the internal control environment. It provides independent review of the Council's Governance, risk management and control frameworks and oversees the financial reporting and annual governance processes.

3.4. The Committee oversees internal audit and external audit, helping to ensure efficient and effective assurance arrangements are in place. With regard to standards, the Committee promotes high standards of conduct by Councillors and co-opted members and oversees the arrangements for dealing with allegations of misconduct.

3.5. The Audit and Governance Committee will have the following roles and functions:

- (i) promoting and maintaining high standards of conduct by Councillors and co-opted members in accordance with Sections 26-37 of the Localism Act 2011;
- (ii) assisting Councillors and co-opted members to observe the Members' Code of Conduct;
- (iii) advising the Council on the adoption or revision of the Members' Code of Conduct;
- (iv) monitoring the operation of the Members' Code of Conduct;
- (v) advising, training or arranging to train Councillors and co-opted members on matters relating to the Members' Code of Conduct;
- (vi) determining allegations that there has been a breach of the Members' Code of Conduct in accordance with arrangements adopted by Council;
- (vii) acting as the Council's Audit Committee. In performing this task, the Audit and Governance Committee shall:
  - (a) approve the plans of Internal Audit and consider the External Audit plan;
  - (b) receive the Annual Audit and Inspection letter from External Audit;
  - (c) receive Internal Audit recommendations for improvements and assurance that action has been taken where necessary;
  - (d) review summary Internal Audit reports (located on the intranet);
  - (e) receive a half yearly and annual report from the Chief Internal Auditor on the work of Internal Audit;
  - (f) receive appropriate matters of concern raised by either External or Internal Audit or other agencies; and
  - (g) ensure that there are effective relationships between Internal and External Audit and promote the value of the audit process.

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- (viii) overseeing the Council's Risk Management, Anti-Fraud and Whistleblowing strategies, and Health and Safety policies and practices;
- (ix) receiving the Annual Governance Statement; and
- (x) oversight of payments in cases of maladministration which are neither disputed nor significant (which are dealt with by the Monitoring Officer).

### **4.0 Standards Panel**

- 4.1. The Committee will establish the Standards Panel. The Panel will comprise of four Councillors and the Independent Member.
- 4.2. A substitute for each Councillor member of the Panel shall be appointed. A substitute may attend any meeting of the Panel, with all the powers of the appointed Councillor member in the event that the appointed Councillor member is unable to attend a particular meeting.
- 4.3. The Panel will be chaired by the Independent Member (unless they are absent, in which case the Vice-Chair will chair the meeting). The Independent Member is not entitled to vote at meetings. In the case of an equality of votes, the Vice-Chair may exercise a second or casting vote.
- 4.4. The Panel will act on the Committee's behalf in determining allegations that there has been a breach of the Members' Code of Conduct in accordance with arrangements adopted by Council.



AUDIT AND GOVERNANCE COMMITTEE WORK PROGRAMME 2024-25

REPORT TITLE	ISSUES TO CONSIDER	20/06/24	29/07/24 (EXTRA)	19/09/24	21/11/24	04/12/24 (EXTRA)	20/02/25
<b>External Audit</b>							
External Audit Update	To receive an update from BDO and Grant Thornton.	✓		✓	✓		✓
Audit Findings Report and Auditors Annual Report (VfM)	To receive the Audit reports from Grant Thornton.						✓
Indicative External Audit Plan for 2023-24	To receive the indicative External Audit Plan for 2023-24 from Grant Thornton.	✓					
<b>Internal Audit</b>							
Internal Audit Annual Report 2023/24	Review of Internal Audit service work in 2023/24 (inc. outstanding high risk recommendations).	✓		✓			
Internal Audit Charter	To approve the Internal Audit Charter, reviewed annually.				✓		✓
Internal Audit Plan 2025/26, Strategy and Proposed 2026/27 Plan	To receive the IA Audit Plan update 2025/26, Strategy and Proposed 2026/27 Plan.						✓
Internal Audit Progress Report	Progress update of work undertaken by Internal Audit.	✓		✓	✓		✓
<b>Governance</b>							
Annual Governance Statement 2023/24	To receive the Statement for inclusion in the 2023/24 Statement of Accounts.				✓		

Annual Review of the Audit and Governance Committee

REPORT TITLE	ISSUES TO CONSIDER	20/06/24	29/07/24 (EXTRA)	19/09/24	21/11/24	04/12/24 (EXTRA)	20/02/25
Annual Review of the Audit and Governance Committee	To review the past Municipal Year (including Articles of Constitution) for recommendation to Council.						✓
Bi-Annual Review of Anti-Fraud and Corruption and Confidential Reporting Policies	Two yearly review by the Monitoring Officer.						✓
Grant Thornton Public Interest Report	To receive the Public Interest Report from Grant Thornton				✓		
Health and Safety Annual Report	To receive the Health and Safety Annual Report.				✓		
Local Audit Reform	To receive an update on recent announcements on Local Audit Reform.						✓
Members' Code of Conduct	Review operation from 1/8/23 to 31/7/24.			✓			
Ombudsmen Complaints	Receive the annual report on Ombudsmen Complaints.			✓			
Registration of Interests for Members Elected in May 2024	To receive Registration of Interests for Members elected in May 2024.	✓					
Review of the Committee Terms of Reference	To receive a Review by the Monitoring Officer of the Terms of Reference.						✓
Statement of Accounts	To receive the Statement of Accounts.		✓		✓	✓	✓
Work Programme and Action Tracker	To receive the Work Programme and Committee Action Tracker.	✓		✓	✓		✓