



REPORT TO:	Audit & Governance Committee
DATE:	25 th September 2023
SUBJECT:	Co-opted Independent Member Appointment
PURPOSE:	To seek approval to co-opt an Independent Member to the Audit and Governance Committee and agree the Interview Panel to recruit a second Independent Member.
KEY DECISION:	N/A
PORTFOLIO HOLDER:	N/A
REPORT OF:	John Medler, Assistant Director for Governance and Monitoring Officer
REPORT AUTHOR:	Rhonda Booth, Democratic Services Manager
WARD(S) AFFECTED:	N/A
EXEMPT REPORT?	Partly – Appendix A The Appendix to this report is exempt by virtue of Paragraph 1 (information relating to any individual) of Part 1 of Schedule 12A of the Local Government Act 1972.

SUMMARY

This report seeks the Committee's approval, following a recent recruitment process, to co-opt a new Independent Member to the Audit and Governance committee. Appendix A to the report provides details from the recruitment process and a recommendation from the Interview Panel.

The report also asks the Committee to agree the composition of the Interview Panel to recruit a second Independent Member.

RECOMMENDATIONS

That the Audit and Governance Committee:

1. Co-opts the Interview Panel's recommended candidate as set out in Appendix A as an Independent Member of the Audit and Governance Committee for a 4 year term.
2. Agrees the composition of the Interview Panel to recruit a second Independent Member to the Committee.

REASONS FOR RECOMMENDATIONS

The recommendations accord with decisions taken by the Full Council on 18 September 2023 and reflect best practice guidance on the appointment of Independent Members to an Audit Committee.

OTHER OPTIONS CONSIDERED

To not approve the appointment of the recommended candidate.

1. BACKGROUND

- 1.1** The Chartered Institute of Public Finance and Accountancy (CIPFA) Good Practice Guidance for Audit Committees in Local Government identifies that the co-option of Independent Members is beneficial to an Audit Committee. The guidance highlights that the injection of an external view can often bring a new approach to committee discussions including:
- bringing additional knowledge and expertise to the committee
 - reinforcing the political neutrality and independence of the committee
 - maintaining continuity of committee membership where membership is affected by the electoral cycle
- 1.2** Whilst there is no legislative direction to include Co-opted Independent Members, CIPFA's Position Statement 2022 recommends that each local authority audit committee should include at least two Co-opted Independent Members to provide appropriate technical expertise. The Position Statement is supported by The Department for Levelling Up, Housing and Communities and the Home Office.

2. REPORT

- 2.1.1** At the meeting of the Audit and Governance Committee on 13th July 2023 the Committee agreed on the recruitment process and composition of an Interview Panel for the recruitment of a new Independent Member to the Committee.
- 2.1.2** A recruitment process was undertaken, and interviews were held on Friday 15th September and a preferred candidate was agreed collectively by the Interview Panel. Details of the interview scores and the Interview Panel's recommendation to the Committee are included in Appendix A.
- 2.1.3** The Committee also agreed to seek approval from full Council to amend the composition of the Audit and Governance Committee to include two Co-opted Independent Members. Subsequently at the meeting of full Council on 18th September 2023 it was agreed that the Committee's membership be amended to include two Co-opted Independent Members. It was further agreed by full Council that the Committee be authorised to co-opt the Independent Members with each appointment being for a term of up to 4 years.

- 2.2 This report therefore asks the Committee to agree the composition of the Interview Panel to recruit a second Independent Member to the Committee. The recruitment process will be timetabled to allow a recommendation of the preferred candidate to be made at the next Audit and Governance Committee Meeting on 20 November 2023.

3. CONCLUSION

- 3.1 The purpose of this report and the recommendations made within are with the intention of recruiting experienced Independent Members onto the Audit and Governance Committee in line with recognised best practice.

EXPECTED BENEFITS TO THE PARTNERSHIP

None

IMPLICATIONS

SOUTH AND EAST LINCOLNSHIRE COUNCILS PARTNERSHIP

None

CORPORATE PRIORITIES

None

STAFFING

None

CONSTITUTIONAL AND LEGAL IMPLICATIONS

There is no legal requirement for Local Authority Audit and Governance Committees to have Independent Co-opted Members, though this is recommended practice from the Chartered Institute of Public Finance and Accountancy (CIPFA). In accordance with local government law, the co-opted members do not have voting rights. The proposed recommendations are in accordance with decisions taken by Full Council in accordance with the Council's Constitution

DATA PROTECTION

None

FINANCIAL

A small allowance of £426 and expenses are payable to an Independent Member on the Audit and Governance Committee.

RISK MANAGEMENT

The recommendations reflect CIPFA good practice guidance for Audit and Governance Committees.

STAKEHOLDER / CONSULTATION / TIMESCALES

None

REPUTATION

None

CONTRACTS

None

CRIME AND DISORDER

None

EQUALITY AND DIVERSITY/ HUMAN RIGHTS/ SAFEGUARDING

None

HEALTH AND WELL BEING

None

CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS

None

LINKS TO 12 MISSIONS IN THE LEVELLING UP WHITE PAPER

None

ACRONYMS

CIPFA - Chartered Institute of Public Finance and Accountancy

APPENDICES*(If none then insert the word 'None' and delete the below text/boxes).*

Appendices are listed below and attached to the back of the report: -

APPENDIX A

Exempt – Interview information

BACKGROUND PAPERS

Background papers used in the production of this report are listed below: -

Document title	Where the document can be viewed
CIPFA's Position Statement: Audit Committees in Local Authorities and Police 2022	https://www.cipfa.org/services/support-for-audit-committees
CIPFA's Audit Committees: Practical Guidance For Local Authorities And Police (2022 Edition)	https://www.cipfa.org/services/support-for-audit-committees

CHRONOLOGICAL HISTORY OF THIS REPORT

Name of body	Date
Audit and Governance Committee	13 July 2023
Full Council	18 September 2023

REPORT APPROVAL

Report author:	Rhonda Booth, Democratic Services Manager
Signed off by:	John Medler, Assistant Director for Governance and Monitoring Officer
Approved for publication:	John Medler, Assistant Director for Governance and Monitoring Officer