

<b>Report to:</b>	<b>Audit and Governance Committee</b>
<b>Date:</b>	<b>2 March 2022</b>
<b>Title:</b>	<b>Appointment of Audit Independent Member</b>
<b>Report of:</b>	<b>Simon Russell, Head of Democratic Services</b>
<b>Ward(s):</b>	<b>All</b>
<b>Purpose of report:</b>	<b>To outline proposed arrangements for the appointment of a co-opted independent member to the Audit and Governance Committee, following Cabinet’s endorsement of the recommendations from the CIPFA assurance review</b>
<b>Officer recommendation(s):</b>	<p><b>(1) To approve the appointment of a co-opted independent member to the Audit and Governance Committee</b></p> <p><b>(2) To delegate authority to the Head of Democratic Services, in consultation with the Chair of Audit and Governance Committee and Chief Finance Officer to undertake and complete the recruitment process.</b></p> <p><b>(3) That the specific remuneration of the Audit Independent Member appointed, be delegated to the Head of Democratic Services, in consultation with the Chair of Audit and Governance Committee and Chief Finance Officer.</b></p>
<b>Reasons for recommendations:</b>	<b>To action recommendation 3.3 of the CIPFA assurance review recommendation.</b>
<b>Contact Officer(s):</b>	<b>Name: Simon Russell</b> <b>Post title: Head of Democratic Services (and Deputy Monitoring Officer)</b> <b>E-mail: <a href="mailto:simon.russell@lewes-eastbourne.gov.uk">simon.russell@lewes-eastbourne.gov.uk</a></b> <b>Telephone number: (01323) 415021</b>

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## **1 Introduction**

- 1.1 As previously reported at Cabinet, the council, in accepting the granting of capitalisation directions for 2020/21 and 2021/22, committed to an external review being undertaken by CIPFA (Chartered Institute of Public Finance and Accountancy). The final report was published on 12 December 2021 and arising from the report were a variety of recommendations.
- 1.2 At its meeting on 9 February 2022, Cabinet resolved to note and accept the CIPFA assurance review and endorse its recommendations, set out in the report. One of those is detailed below:

3.3	The council should appoint an independent (non-political) member on the Audit and Governance Committee.]	6 months	Recommend that the appointment of a non-voting independent member to this committee be considered at the next Annual Council meeting
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1.3 Following Cabinet’s approval and endorsement, the appointment of an Audit Independent Member is an immediate priority for the Council. The recommended process for actioning this recommendation by the required deadline is detailed below.

## 2 Process of Appointment

2.1 Within its existing terms of reference, the Audit and Governance Committee has power to “co-opt one person in a non-voting capacity to provide independent advice, primarily, but not exclusively, in relation to its audit functions”. The proposed appointment therefore can be made, without the requirement for Full Council approval.

2.2 Following Committee approval to the officer recommendations, an advertisement, information pack and person specification for potential application would be finalised by the Head of Democratic Services, in consultation with the Chair of Audit and Governance Committee and Chief Finance Officer.

2.3 Some of the key requirements for the appointment of an Audit Independent Member are:

- An interest in finance and governance to enhance the work of the Audit and Governance Committee.
- Ability to take an independent, unbiased, and objective view.
- Ability to examine evidence and complex documentation.

2.4 Following the application process, a selection panel, led by the Chair of Audit and Governance Committee, Chief Finance Officer and Head of Democratic Services will convene to interview and select a successful candidate. By delegating this process to the Head of Democratic Services, in consultation with the Chair of Audit and Governance Committee and Chief Finance Officer, negates the requirement of convening a Special Meeting of the Audit and Governance Committee, for the sole purpose of approving the appointment.

2.5 Should the application process prove successful, the appointment will be formally reported as part of the Annual Council schedule of appointments to Council committee and outside bodies in May 2022.

## 3 Consultation

3.1 The proposals in this report have been subject to consultation with the Chair of Audit and Governance Committee. No objection was raised.

## **4 Financial appraisal**

- 4.1 Any costs associated with the recruitment, selection, appointment, and subsequent disbursements to any Independent Member will be contained from within existing revenue service budgets.
- 4.2 There are costs associated with the remuneration of the Audit Independent Member and any appropriate training required to ensure the chosen candidate can fulfil the role and participate effectively at Committee. It is proposed that the Audit Independent Member be paid a retainer of £1,000 per annum. Any training expenses required would be absorbed within the existing training budget, subject to approval from the Head of Democratic Services. This retainer would be reviewed periodically by an Independent Remuneration Panel, along with all other allowances paid to Councillors.

## **5 Legal implications**

- 5.1 The appointment is to be undertaken in accordance with the Council's constitution and the implications arising from the appointment are set out in this report.

## **6 Risk management implications**

- 6.1 It should be noted that the requirement of implementation of an Audit Independent Member is 6 months. Should the application process be unsuccessful due to lack of interest or sufficient quality of candidate, there may be a slight delay in meeting this recommendation.

## **7 Appendices**

- None

## **8 Background papers**

The background papers used in compiling this report were as follows:

- [Cabinet Report – Assurance Review](#)