



ST HELENS
BOROUGH COUNCIL

Audit & Governance Committee

23 November 2020

Report Title:	Recruitment of Independent Person for Co-Option to Audit & Governance Committee
Cabinet Portfolio	Finance & Governance
Cabinet Member	Councillor Martin Bond
Exempt Report	No
Reason for Exemption	N/A
Key Decision	No
Public Notice issued	N/A
Wards Affected	None
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Borough priorities Please mark X for any priority supported by this report NB Use Section 4 - Background Information to explain how each selected priority is supported	Ensure children and young people have a positive start in life	
	Promote good health, independence and care across our communities	
	Create safe and strong communities for our residents	
	Support a strong, diverse and well-connected local economy	
	Create a green, thriving and vibrant place to be proud of	
	Be a modern, efficient and effective Council	X

1. Summary

- 1.1 To outline the proposed recruitment process for the co-option of an Independent Person to the Committee.

2. Recommendations for Decision

The Committee is recommended to:

- i) **approve the role description and person specification for an Independent Person to be co-opted to the Audit & Governance Committee;**
- ii) **approve the proposed recruitment process with a view to a recommendation to Council to co-opt an Independent Person in due course.**

3. Purpose of this Report

- 3.1 In order for the Committee to have oversight of the recruitment process, the report sets out the details of the proposed process along with a draft role description for approval.

4. Background /Reasons for the recommendations

- 4.1 At its Annual Council meeting on 30 September 2020, Council considered a report on constitutional issues with recommendations to amend the Terms of Reference for the Audit & Governance Committee and to amend the make-up of the Committee to include an Independent Person. Council agreed to commence the recruitment process to co-opt an Independent Member to the Committee for a fixed term of up to 3 years.
- 4.2 CIPFA's Publication - Practical Guidance for Local Authorities and Police (2018 Edition) sets out its guidance on the function and operation of audit committees in local authorities and police bodies and represents CIPFA's view of best practice for audit committees in local authorities throughout the UK. The revised and updated 2018 edition includes additional guidance and resources to support those acting as audit committee members in local

authorities and those working with and supporting the Committee's development. The key changes contained within CIPFA's latest guidance include, amongst other things, the recommendation for the inclusion of an independent person on the Committee.

- 4.3 Good practice shows that co-option of independent persons is beneficial to audit committees to bring additional knowledge and expertise and to reinforce the political neutrality and independence of the committee. The requirement for relevant knowledge or expertise should be clearly determined in the recruitment process. Candidates would be required to demonstrate their political independence as part of the application and interview process.
- 4.4 A draft role description and person specification for the role is attached at Appendix 1.
- 4.5 The vacancy is to be publicly advertised. It is proposed to place a recruitment advert on the Council's website, social media channels and in the local press which will be open for 3 weeks from 30 November to 18 December 2020. Remote interviews for short-listed suitable candidates will be scheduled to take place week commencing 11 January 2021. Interviews will be carried out by a panel comprising the Chair of the Audit & Governance Committee, Portfolio Holder for Finance & Governance, Executive Director of Corporate Services, Director of Finance and Director of Legal & Governance.
- 4.6 Subject to a successful recruitment process, it is planned to submit a recommendation to co-opt a preferred candidate to Council for consideration at its meeting on 3 March 2021. Members of the Committee will be kept updated on progress throughout the recruitment process. The appointment will take effect from the new municipal year in May 2021/22.
- 4.7 Once co-opted, the Independent Person will need to undertake induction training prior to joining the Committee following Annual Council in May 2021. They will be invited to attend the March Committee meeting as an observer. They will be required to participate in training and briefings with the Committee during the course of the municipal year.

5. Community Impact Assessment

The Community Impact Assessment identified no key implications.

6 Consideration of Alternatives

- 6.1 Beyond the CIPFA guidance, there are no other 'best practice' options to be considered.

7 Conclusions

- 7.1 Good practice shows that co-option of independent members is beneficial to audit committees.

8. Implications

8.1 Legal Implications

- 8.1.1 At present, there are no statutory requirements on local authorities in England to appoint an independent person to an audit committee. Audit committees for combined authorities in England must have at least one independent person.

8.2 Community Impact Assessment (CIA) Implications

8.2.1 Social Value

8.2.1.1 None

8.2.2 Sustainability and Environment

8.2.2.1 None

8.2.3 Health and Wellbeing

8.2.3.1 None

8.2.4 Equality and Human Rights

8.2.4.1 The application process will comply with the Council's existing procedures.

8.3 Customers and Resident

8.3.1 None

8.4 Asset and Property

8.4.1 None

8.5 Staffing and Human Resource

8.5.1 None

8.6 Risks

8.6.1 Guidance from CIPFA notes both positive and cautionary reasons for such appointments and decisions of this nature need to take account of each local authority's own circumstances. It is therefore important to ensure the role description and person specification set out the Council's requirements.

8.7 Finance

8.7.1 It is not proposed to pay remuneration for the role, other than expenses for attendance at any physical Committee meetings and training/briefings.

8.8 Policy Framework Implications

8.8.1 None

9. Background papers

9.1 CIPFA Publication: Audit Committees: Practical Guidance for Local Authorities and Police, 2018 Edition

9.2 Report to Annual Council on Constitutional Issues – 30 September 2020

10. Appendices

Appendix 1 – Role Description for Independent Person