

From: Ben Watts, General Counsel

To: Governance and Audit Committee, 6 July 2023

Subject: Appointment of an Independent Member to the Governance and Audit Committee

Status: Unrestricted

1. Background

- a) In January 2019, this Committee approved the principle of appointing an independent member for a two-year trial. Following further consideration and a recruitment exercise, Dr David Horne was appointed and added to the Membership of the Committee in October 2019 (due to the timings of meetings, the Committee formally noted his appointment at its January 2020 meeting).
- b) In July 2021, the appointment was extended by a further two years. As this extension will come to an end in October this year it is an appropriate time to review this matter

2. The role of the independent member

- a) There is no legislative requirement for a local authority audit committee to have a co-opted independent member (although it is a requirement for authorities in Wales and combined authorities in England). CIPFA recommend having two co-opted members as best practice.
- b) As set out in the CIPFA publication “Audit committees: practical guidance for local authorities and police” (2022 edition), the reasons for this recommendation are as follows:
 - To supplement the knowledge and experience of elected representatives in specific areas, such as audit or financial reporting.
 - To provide continuity outside the political cycle. This is of particular importance where membership of the committee changes annually or because of elections.
 - To help achieve a non-political focus on governance, risk, and control matters.
 - Having two co-opted members rather than one will allow recruitment of members with different but complementary knowledge and experience, increase the resilience and continuity of the committee.
 - Having two co-opted members shows a commitment to supporting and investing in the committee.
- c) The terms of reference of this Committee allows up to two co-opted members to be appointed. As co-opted members cannot vote on council policy under s.13 of the Local Government and Housing Act 1989, these are non-voting roles.
- d) The options available to the Committee are:

- I. Cease having an independent member at the expiry of the current member's term.
 - II. Continue with having one independent member.
 - III. Appoint two independent members.
- e) If option II is selected, the appointment the current members may be extended, or a recruitment exercise may be undertaken. If III is selected, a recruitment exercise will be undertaken.

3. Next Steps

- a) As the first two-year appointment was a trial followed by an extension, it is assumed that any future appointments would be for four year terms. This would be on a par with the member electoral cycle but offset from it so that there would be continuity of membership across council terms.
- b) The person specification for the role is set out in the Appendix. This is an updated version of the specification agreed in 2019.
- c) A Member Panel comprising the Chair and two Committee Members will conduct the interviews and make the appointment, supported by officers. At least one officer with the appropriate technical expertise will be present during the interviews.

4. Recommendation

The Governance and Audit Committee is asked to:

- a) Determine whether to continue with having an independent co-opted member on the Committee, and if so, whether to have one or two independent members;
- b) Approve the role description set out in the appendix; and
- c) Delegate to the Monitoring Officer, in consultation with the Chief Finance Officer and Head of Internal Audit, the authority to make arrangements for the recruitment process, following discussion with the Chair.

5. Background Documents

None.

6. Report Author and Relevant Director

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