

FLINTSHIRE COUNTY COUNCIL

REPORT TO: **FLINTSHIRE COUNTY COUNCIL**

DATE: **TUESDAY, 19 JUNE 2012**

REPORT BY: **MONITORING OFFICER, HEAD OF FINANCE**

SUBJECT: **APPOINTMENT OF LAY MEMBER TO THE AUDIT COMMITTEE**

1.00 PURPOSE OF REPORT

1.01 To inform the County Council of the process used to recruit a lay member to the Audit Committee and to recommend a candidate for appointment.

2.00 BACKGROUND

2.01 The Local Government (Wales) Measure 2011 requires that the County Council appoints lay members up to one third of the membership of the Audit Committee (with the minimum of one member). At the Council AGM on 15th May 2012 the County Council decided to appoint the statutory minimum of one lay member.

2.02 The legislation requires the Council to take into account any statutory guidance when appointing lay members, that guidance has not yet been published and is not due until June 2012 (at the earliest). The Measure also provides that actions taken by the Audit Committee are invalid if its membership does not comply with the legislation. It was therefore decided to proceed to recruit prior to the publication of the statutory guidance in order to enable the Committee to meet and take lawful decisions.

3.00 CONSIDERATIONS

3.01 Adverts were placed in the Chester Chronicle and Daily Post on the 10 May 2012. Attached as appendix A is an information note sent to those who expressed an interest. In total 22 applications were received. Candidates were short-listed by the Head of Finance and the Head of Legal & Democratic Services using the following criteria:

- Experience and/or understanding of audit, accounting practice and/or financial procedures
- Knowledge and/or experience of local government
- Perceived political and operational independence
- Has not been a Councillor or officer of Flintshire County Council
- Has not been a Councillor or officer of another Council (See 3.02 below)

- 3.02 Although the guidance is not yet available on what constitutes political and operational independence, independent members are of course appointed to the Standards Committee. The legislative requirements for membership of that Committee are that no-one who has been a Councillor or officer of this Council may be deemed independent and likewise no-one who has been an officer or a Councillor in another Council within the last 12 months is deemed independent. It therefore seemed prudent to apply the same criteria to establish independence for appointment to the Audit Committee.
- 3.03 An interview panel consisting of Councillor Ian Roberts (as immediate past Chair of the Audit Committee), the Head of Finance and the Head of Legal & Democratic Services were due to interview 5 candidates on the 6 June. One candidate withdrew and another was unable to attend at the last moment. A further interview date was therefore arranged for the 13 June, so that, at the time of publication, the interview process has not been concluded. Therefore the name of the recommended candidate will be submitted at the meeting.
- 3.04 The role of the lay member on the Audit Committee is similar to that of a Councillor, insofar as the person will be required to have oversight of Council functions and processes and to give assurance that the internal control framework is operating properly. The role differs from that of a Councillor at least in two important respects:
- The lay member has no political affiliation;
 - The lay member can be recruited specifically because of potential valuable skills and/or experience within the field.
- 3.05 Given the sometimes sensitive nature of reports considered by the Audit Committee it is also essential that any lay person is able to exercise both discretion and diplomacy. The short-listing and interview process was designed to ensure that any potentially successful candidate possessed all of these qualities.
- 3.06 At its meeting on 20 March the Audit Committee delegated authority to officers in case there was insufficient time to confirm the appointment of a lay member at a meeting of the full County Council. A preliminary offer of appointment will be made, subject to ratification by the County Council, in order to enable the successful candidate to attend the compulsory induction day on the 15 June.

4.00 RECOMMENDATIONS

- 4.01 The name of the preferred candidate will be submitted at the Council meeting for ratification.

5.00 FINANCIAL IMPLICATIONS

- 5.01 An attendance fee is payable for attendance at the Committee.

6.00 ANTI POVERTY IMPACT

6.01 None

7.00 ENVIRONMENTAL IMPACT

7.01 None

8.00 EQUALITIES IMPACT

8.01 None

9.00 PERSONNEL IMPLICATIONS

9.01 None

10.00 CONSULTATION REQUIRED

10.01 None

11.00 CONSULTATION UNDERTAKEN

11.01 By the time of the meeting, the name of the preferred candidate will have been circulated to all Group Leaders and to the members of the Audit Committee.

12.00 APPENDICES

Appendix A - Information note given to candidates

**LOCAL GOVERNMENT (ACCESS TO INFORMATION ACT) 1985
BACKGROUND DOCUMENTS**

None

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