

Committee Name and Date of Committee Meeting

Audit Committee – 27 November 2018

Report Title

Audit Committee – Appointment of Independent Member

Is this a Key Decision and has it been included on the Forward Plan?

No

Strategic Director Approving Submission of the Report

Shokat Lal, Assistant Chief Executive

Report Author(s)

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Ward(s) Affected

Borough-Wide

Report Summary

The term of office of the current Independent Member serving on the Audit Committee is due to cease on 9 December 2018. This report is submitted for the Audit Committee to recommend that the Council reappoints Mr. Bernard Coleman until December 2019.

Recommendations

To resolve:-

1. That Council be recommended to appoint Mr. Bernard Coleman as Independent Member of the Audit Committee until 31 December 2019.

List of Appendices Included

None

Background Papers

Council Minutes (Minute number 100) – 9 December 2015
Report to Audit Committee – 24 November 2015 'Amendment to the Constitution of the Audit Committee and Appointment of Independent Member'
Council Constitution

Consideration by any other Council Committee, Scrutiny or Advisory Panel

Council – 05 December 2018

Council Approval Required

Yes

Exempt from the Press and Public

No

Audit Committee – Appointment of Independent Member

1. Background

- 1.1 In 2015, the Council amended the Terms of Reference of the Audit Committee to include provision for the appointment of an Independent Member. On 9 December 2015, on the recommendation of the Audit Committee, the Council appointed Mr. Bernard Coleman for a three year period.
- 1.2 Over the past three years, Mr. Coleman has added value to the work of the Audit Committee. His contributions and work are respected by elected Members and officers involved in discharging the audit function at the Council.

2. Key Issues

- 2.1 The three year term of Mr. Coleman is due to end on 9 December 2018. It is necessary to consider the future appointment to the position of Independent Member of the Audit Committee.

3. Options considered and recommended proposal

- 3.1 As the current appointment is due to end on 9 December 2018, the Audit Committee is invited to consider whether it how it wishes to fill the vacancy that will arise on that date. The options available to Members are:-
 - Option 1 – Commence a recruitment process for a new Independent Member
 - Option 2 – Appoint the current Independent Member for a further three-year term until December 2021.
 - Option 3 – Appoint the current Independent Member for a 12 month period to allow a recruitment process to take place (this is the recommended option).
- 3.2 Option 1 is not recommended because there is insufficient time to undertake a full recruitment process prior to the end of the current Independent Member's term of office on 9 December. However, there are benefits associated with undertaking a recruitment process to demonstrate openness and transparency in the appointment to this role.
- 3.3 Officer 2 is not recommended at this stage as it is not known if the current Independent Member would be willing to carry on in the position for a further three years. Formal consultation with Mr. Coleman has not yet taken place and it would be improper to propose such an appointment at this stage. Mr. Coleman has been invited to attend the meeting on 27 November 2018 and may provide his opinion during the discussion on this report. However, without clarification prior to the meeting, this option cannot be recommended at this stage.

- 3.4 Option 3 provides an opportunity to undertake a recruitment process whilst appointing Mr. Coleman for a twelve month period until December 2019. This option provides continuity in the short term and addresses the need to retain an Independent Member from the end of Mr. Coleman's term of office. This is the recommended option.

4. Consultation on proposal

- 4.1 This report is submitted to seek the views of the Audit Committee on the method with which the Council should appoint the Independent Member of the Audit Committee from December 2018.

5. Timetable and Accountability for Implementing this Decision

- 5.1 If the committee supports the recommendation to re-appoint Mr. Coleman for a further one-year or three-year period, this will be reported to the Council meeting on 5 December 2018. The appointment will take immediate effect after Council approval. The Head of Democratic Services Audit will be accountable for the implementation of the Council's decision and the Head of Internal Audit will be accountable for supporting the Independent Member during their term of office.
- 5.2 If the committee determines that a recruitment process should be undertaken without reappointing the current Independent Member, the Head of Democratic Services will be accountable for the recruitment process with the Audit Committee having the authority to recommend an appointment to Council.

6. Financial and Procurement Advice and Implications

- 6.1 The allowance for the Independent Member of the Audit Committee is £710 per annum and is already included in the budget for Member Allowances. Any costs associated with the recruitment of an Independent Member will be met within existing budgets. There are no further financial or procurement implications associated with this proposal.

7. Legal Advice and Implications

- 7.1 There are no legal implications associated with this proposal beyond ensuring that the Council complies with the provisions of the Constitution, which is discussed earlier in this report.

8. Human Resources Advice and Implications

- 8.1 In the options outlined above, Members have the discretion to recommend the re-appointment of Mr. Coleman for a three-year or one-year term of office. In the event of either option being chosen, appropriate checks have previously been carried out in respect of Mr. Coleman and are all satisfied.

9. Implications for Children and Young People and Vulnerable Adults

9.1 There are no implications of children and young people or vulnerable adults arising from this report.

10. Equalities and Human Rights Advice and Implications

10.1 There are no equalities or human rights implications arising from this report.

11. Implications for Partners

11.1 There are no implications for partners associated with this report.

12. Risks and Mitigation

12.1 The appointment of a suitable skilled and experienced independent member will strengthen the review of risk management by the Audit Committee and consequently improve the Council's arrangements.

13. Accountable Officers

James McLaughlin, Head of Democratic Services
David Webster, Head of Internal Audit

Approvals obtained on behalf of:-

	Named Officer	Date
Strategic Director of Finance & Customer Services (S.151 Officer)	Named officer	Click here to enter a date.
Assistant Director of Legal Services (Monitoring Officer)	Named officer	Click here to enter a date.
Assistant Director of Human Resources (if appropriate)		Click here to enter a date.
Head of Human Resources (if appropriate)		Click here to enter a date.

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