

LONDON BOROUGH OF CROYDON

REPORT:	Audit and Governance Committee	
DATE OF DECISION	20 July 2023	
REPORT TITLE:	Audit and Governance Committee Independent Member Recruitment	
CORPORATE DIRECTOR / DIRECTOR:	Jane West, Corporate Director of Resources and S151 Officer	
LEAD OFFICER:	Dave Phillips, Head of Internal Audit Dave.Phillips@croydon.gov.uk	
LEAD MEMBER:	Cllr Jason Cummings	
KEY DECISION? [Insert Ref. Number if a Key Decision]	No	REASON: N/a
CONTAINS EXEMPT INFORMATION?	No	Public
WARDS AFFECTED:	N/a	

1. SUMMARY OF REPORT

1.1 This report identifies the recommended candidate to be appointed as an independent co-opted non-voting Member on the Audit and Governance Committee.

2. RECOMMENDATION

2.1 The Audit and Governance Committee is asked to:

- Support the recommendation of the recruitment panel for the preferred candidate David Clarke to be appointed as an independent co-opted non-voting member of the Committee; and
- Recommend to Full Council that David Clarke be appointed as an independent co-opted non-voting member of the Audit and Governance Committee for an initial period of 1 year, to be extended thereafter for another 3 years and that said appointment be subject to standards of conduct which encompass the Nolan Principles.

3. REASONS FOR RECOMMENDATION

- 3.1** The Council Constitution provides for the Audit and Governance Committee to have an non-elected non-voting independent member on the Committee. This co-opted non-voting Member can provide the Committee with outside knowledge, experience and skills that can inform the Audit work of the Audit and Governance Committee and supplement the role of Members.
- 3.2** The independent member position has not been filled since the Audit and Governance Committee was set up in 2022.

4. BACKGROUND AND DETAILS

- 4.1** The membership of the Audit and Governance Committee is seven, including an independent, suitably qualified Chair; and one independent, suitably qualified co-optee (independent member). Co-opted Members will usually be invited to serve for a term of office of four years as provided for in the Council's Scheme of Co-option at Part 6D of the Constitution.
- 4.2** At its meeting on July 7th 2022, this committee gave a delegation to the Chair to commence recruitment by inviting applications for the vacant post. Once a suitable candidate was identified following the interview process, this was to be reported back to the committee to enable a recommendation to be made to Full Council for the appointment to be confirmed.
- 4.3** It is hoped that a new independent co-opted non-voting Member of the committee would commence their duties at the September 2023 meeting of the committee.
- 4.4** After advertising the role on the Council's website, in the Council's e-newsletter 'Your Croydon' in the local press and on LinkedIn followed by an interview process, a suitable candidate has been identified.
- 4.5** The Committee is asked to recommend to Full Council, the appointment of David Clarke as an independent co-opted non-voting member of the Audit and Governance Committee, in relation to Audit only functions. Such appointment is to be subject to standards of conduct which encompass the Nolan Principles.. David is a resident of the borough. Professionally he is a member of the Chartered Institute of Public Finance and Accountancy.
- 4.6** The Panel also considered the tenure of the Independent member and agreed, rather than being for 4 years, that this should be initially for a year and then thereafter extended for another 3 years.
- 4.7** In the event that the committee and Full Council agree the recommendation a letter of engagement will then be sent to the successful candidate setting out details of the Nolan Principles and other standards of conduct expected together

with the agreed term of office, basis upon which the appointment may be terminated and any other relevant or applicable conditions.

5. FINANCE IMPLICATIONS

5.1.1 There are no financial implications it is not a paid position.

5.1.2 Comments approved by Lesley Shields, Head of Corporate Finance. (Date: 10/02/2023)

5.2 LEGAL IMPLICATIONS

5.2.1 The Head of Litigation and Corporate Law comments on behalf of the Director of Legal Services and Monitoring Officer that the power to co-opt persons who are not councillors onto committees appointed by the Council under section 102(1) of the Local Government Act 1972 ('the 1972 Act'), is set out in section 102(3) of the 1972 Act. A Committee appointed under section 101 of the 1972 Act, other than a committee for regulating and controlling the finance of the local authority or of their area, may subject to section 104 of the 1972 Act, include persons who are not members of the appointing authority.

5.2.2 Section 104 of the 1972 Act will apply to any proposed appointment under section 102(3) above and provides that a person who is disqualified under Part V of the 1972 Act from being elected or being a member of a local authority shall be disqualified from being a member of a committee (including a sub-committee) of that authority, or being a representative of that authority on a joint committee (including a sub-committee) of the authority and another local authority, whether the committee or joint committee are appointed under this Part of this Act, or under any other enactment. Part V of the Act deals, in section 80 with disqualifications from serving as a member of the Council and these requirements are applied to co-optees by virtue of Section 104 so that if any of the circumstances in Section 80 apply (or subsequently apply) to a co-optee they are disqualified from being a co-optee.

5.2.3 By virtue of section 13(1) of the Local Government Act 1989, any co-opted member of a committee appointed under section 102(1) of the 1972 Act shall, for all purposes, be treated as a non-voting-member of that committee.

5.2.4 Separately the Council's Constitution provides in Part 3: Responsibility for functions that membership of this committee will include '1 independent suitably qualified Chair who may not be a Member or officer of the Council and 1 independent suitably qualified co-optee'.

5.2.5 In addition, at Part 6D of the Constitution the Council has adopted a Scheme of Co-option in relation to all co-optees.

5.2.6 *Approved by:* Head of Litigation and Corporate Law on behalf of Stephen Lawrence-Orumwense Director of Legal Services and Monitoring Officer (12/7/2023)

5.3 HUMAN RESOURCES IMPLICATIONS

5.3.1 There are no immediate HR implications arising from the content of this report.

5.3.2 Comments approved by Gillian Bevan, Head of HR Resources and Assistant Chief Executives Directorates on behalf of the Chief People Officer. (Date 07/07/2023)

5.4 EQUALITIES IMPLICATIONS

5.4.1 The Council is required to comply with the Public Sector Equality Duty [PSED], as set out in the Equality Act 2010. The PSED requires the Council to have due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations between different people when carrying out their activities. Failure to meet these requirements may result in the Council being exposed to costly, time consuming and reputation-damaging legal challenges.

5.4.2 Though the committee member is not a member of the council, they will be undertaking council functions and as such will be required to pay due regard to the Public Sector Equality Duty.

5.4.3 Approved by: Denise McCausland Equality Programme Manager. (Date 11/07/2023)

5 APPENDICES

Appendix 1 – Copy of ‘Audit and Governance Committee - Independent Member’ advertisement.

6 BACKGROUND DOCUMENTS

None

7 URGENCY

There is none.

Audit and Governance Committee - Independent Member

The London Borough of Croydon is delivering a wide-ranging programme of corporate governance and financial controls improvement. As part of that commitment, in 2022 Croydon Council established an Audit & Governance Committee. Chaired by an Independent Member, the Committee provides an independent and high-level focus on the audit, assurance and reporting arrangements that underpin good governance and financial standards within the Council. The Committee's main purposes being to:

- Provide independent assurance to the Council of the adequacy of the risk management framework and the internal control environment;
- Oversee internal and external audit, helping to ensure that efficient and effective assurance arrangements are in place;
- Provide independent review of the Council's governance, risk management and control frameworks
- Oversee the financial reporting and annual governance processes, and;
- Provide independent scrutiny of the Council's financial and non-financial performance to the extent that it affects the Council's exposure to risk and weakens the control environment.

There's currently a vacancy for an Independent Member to join the Committee and become part of Croydon's improvement and strengthening of good governance. Ideally the independent member would bring to the committee a wide range of skills and experience – possessing knowledge of financial controls and management, risk, and possibly have an audit background.

You cannot be considered for appointment if you:-

- Are currently a Member, Co-opted Member, or an employee or a consultant to the authority in any capacity;
- Have been either an employee or Elected Member of the Council in the last five years;
- Are related to, or are a close friend of, any Councillor or senior officer of the Council.
- In addition to be eligible for appointment, a person must not be disqualified from holding office as a Member of the Council.
- Accordingly, any person who is recommended for appointment will be required to confirm that he/she is not disqualified.

The successful applicant will be appointed for a four-year period and ideally live or work in the borough. As co-option is a way of ensuring that all voices are

represented on Council committees, we particularly encourage applicants from historically underrepresented backgrounds and communities to apply.

The estimated time commitment will vary but generally will involve attendance at seven evening meetings (6:30 pm start) per year held at Croydon Town Hall. You will also need time commitment to read the agenda papers in advance of the meetings.

Please note, there's no annual allowance associated with the position. If you are interested in serving and gaining experience of local government governance and committees, we would be delighted to hear from you. Please send your CV and supporting statement outlining how your skills and experience relate to the role to: democratic.services@croydon.gov.uk

Deadline for applications is Monday, 23rd January 2023.

What is audit and governance?

The London Borough of Croydon is committed to delivering and promoting good financial control and governance. As part of that commitment, the Council has established an Audit and Governance Committee to provide independent oversight of the adequacy of the Council's risk management framework, the internal control environment and the integrity of financial reporting and annual governance processes.

What is an independent member?

An independent member is a member of the general public, aged 18 or over, who works alongside the six councillors and an independent chair, on the Audit and Governance Committee. They contribute to the work of the Committee by bringing specialist knowledge and skills to the process and providing an element of external challenge and support.

Ideally, the independent member should offer a range of different skills and experience. The ideal candidate will have knowledge of local government finance, experience of financial control and management, possibly with an audit background. They must also demonstrate an ability to establish good working relationships with councillors and officers. An independent member is objective and politically independent with an ability to analyse information.

An independent member is expected to attend formal meetings of the Audit and Governance Committee and to prepare for each meeting by reading the agenda papers and supporting information in order to be familiar with the issues for discussion.

What skills and qualities does an independent member need?

We are looking for people who have:

- A high level of integrity and inspire public confidence.
- Ability to be objective, independent and impartial.
- Knowledge and understanding of public sector finances, risk management, corporate governance and the roles of internal and external audit.

- Good analytical skills and the ability to scrutinise financial information and processes and to challenge appropriately.
- Good communication skills and ability to contribute to discussions.
- The ability to work effectively within a team and build good relations with others in a committee setting.
- A respect for confidentiality.
- The ability to deal with issues of a sensitive nature in a diplomatic manner.
- Knowledge/experience of local government or some other aspects of the public sector and/or of large, complex organisations at a senior level.
- An awareness of the issues currently facing local government and the key priorities for the borough.

Role description - What will you be expected to do?

- To actively promote good governance, risk management and control in the delivery of the Council's functions.
- Attend and participate in formal committee meetings, providing external challenge, scrutiny and support in relation to reports presented to the committee.
- Prepare for each meeting by reading the agenda papers and additional information to familiarise yourself with the issues under discussion and consider the questions you may wish to put to officers.
- At the meetings listen carefully and ask questions in a way which is non-judgemental and respects confidentiality.
- Keep up to date with key issues for the Council and the Borough; to develop your understanding of the key priorities and initiatives being pursued.
- Contribute to achieving open, accountable and transparent local democracy in Croydon.
- To abide by the Council's Constitution and Members' Code of Conduct.

What level of commitment is required?

The successful applicant will be appointed for a four year period. The estimated time commitment will vary but generally will involve attendance at seven evening (6:30 pm start) meetings per year. These last approximately three hours and are held in Croydon Town Hall. You will also need to read the agenda papers in advance of the meetings.

Disqualifications

You cannot be considered for appointment if you:-

- Are currently a Member, Co-opted Member, or an employee or a consultant to the authority in any capacity;
- Have been either an employee or Elected Member of the Council in the last five years;

- Are related to, or are a close friend of, any Councillor or senior officer of the Council.
- In addition to be eligible for appointment, a person must not be disqualified from holding office as a Member of the Council. Accordingly, any person who is recommended for appointment will be required to confirm that he/she is not disqualified.