

OPEN

Audit and Governance Committee

27 July 2023

Recruitment of a Co-Opted Independent Member

Report of: David Brown, Director of Governance and Compliance

Report Reference No: AG/27/23-24

Ward(s) Affected: All

Purpose of Report

- 1 This report sets out the suggested approach for the Audit and Governance Committee regarding recruitment to the second of the co-opted independent members for the Committee. The proposed application pack and timeline are included at Appendix 1 and 2.

Executive Summary

- 2 The Audit and Governance Committee have previously undertaken a recruitment exercise to appoint to the two co-opted independent roles included in the Committee membership after a review of the composition and structure of the Committee. These changes were agreed at Council in April 2021.
- 3 These roles were advertised across the Council's website and social media channels and resulted in the appointment of one candidate: the Council's current co-opted independent member, Mr Ron Jones.
- 4 One of the recommendations arising from the CIPFA review of the Audit and Governance Committee was to complete the recruitment to the second co-opted independent role. The Committee are asked to consider and agree the suggested approach set out in the report, and to nominate members of the Committee to carry out the shortlisting and interviewing of candidates.

RECOMMENDATIONS

The Audit and Governance Committee is recommended to

- 1) Review and agree the proposed approach, including the timeline and application pack at Appendix 1 and 2.
- 2) Nominate members from the Committee to form a panel to carry out the shortlisting and interviewing of candidates and recommend a successful candidate for the Committee.

Background

- 5 The inclusion of co-opted independent members as part of local authority audit committees has long been recommended, recognising the valuable knowledge and experience which can be provided through inclusion of these roles, benefitting the Committee's overall effectiveness.
- 6 CIPFA's Position Statement re Audit Committee in Local Authorities and Police 2022 sets out CIPFA's view on the audit committee practice and principles that local government bodies in the UK should adopt. The Position Statement states

"The audit committees of local authorities should include co-opted independent members in accordance with the appropriate legislation.

Where there is no legislative direction to include co-opted independent members, CIPFA recommends that each authority audit committee should include at least two co-opted independent members to provide appropriate technical expertise."
- 7 There is currently no legislative requirement directing local authorities to have co-opted independent members of the audit committee, however, the Position Statement is supported by the Department for Levelling Up, Housing and Communities and the Home Office.
- 8 The Position Statement, and associated guidance, were used in the assessment of the Audit and Governance Committee carried out by CIPFA and reported back to the Committee in June 2022. Although the Committee composition already included two co-opted independent roles, only one candidate was appointed, hence the recommendation to complete recruitment to the second role.
- 9 Co-opted members to Council committees are not members of the Council itself, therefore other than in limited circumstances (for

example, an advisory committee established under s102(4) Local Government Act 1972) they have no voting rights. Co-opted members would instead be consulted during committee meetings and their views taken into account by voting members of the committee.

- 10 An approach for the advertisement, recruitment and selection to these roles is set out in Appendix 1. A draft timetable is included in Appendix 2. The role profile and advert are based upon those used in the most recent recruitment. The role profile sets out the knowledge and experience requirements which are needed to best support the effective performance of the Committee.
- 11 Information about the roles will be hosted on the Council's website, supported by communications in the local press and across the Council's social media channels. A period of 6 weeks for the roles being advertised is suggested, with the deadline for applications being received at the end of that period.
- 12 Committee members will need to nominate members from the Committee to carry out shortlisting and interviewing the candidates. In the last recruitment to the co-opted independent member role, this was carried out by the Chair, Vice Chair, and a member of the Committee, who were supported in the process by officers.
- 13 Applications will be reviewed by the appointments committee against the role profile in the application pack, and shortlisted candidates will be invited to interview; these can be facilitated virtually if necessary. Following the interview process, and subject to references successfully being obtained, an update will be provided to the September meeting of the Committee, with the candidate being recommended to Council on 18 October 2023.
- 14 The candidate will be invited to meet Committee members informally and receive induction training ahead of the Committee meeting in December.

Consultation and Engagement

- 15 This report provides the Committee with the opportunity to review the proposed approach and identify any recommended amendments.

Reasons for Recommendations

- 16 One of the recommendations arising from the CIPFA review of the Audit and Governance Committee was to complete the recruitment to the second co-opted independent role. The Committee are asked to consider and agree the suggested approach set out in the report to complete this action.

Other Options Considered

- 17 There are limited alternatives for the Committee; either to not proceed at all, to delay the appointment process, or to amend the approach (by changing the role profile etc).
- 18 Whilst CIPFA guidance recognises that it is good practice for Audit Committees to include co-opted members, it is not dictated by legislation. The Committee has, however, agreed to the implementation of actions from the Committee review, which include recruitment to this role, so not proceeding, or delaying the process substantially would need to be carefully considered in the context of not completing actions which have been agreed to.

Option	Impact	Risk
Do nothing	Not recruiting to the second, vacant, role.	The Committee doesn't benefit from additional technical experience and knowledge, and its effectiveness is not improved.
Delay the appointment process	Committee membership is not added to at the earliest opportunity	The Committee doesn't benefit from additional technical experience and knowledge, and its effectiveness is not improved.
Amend the suggested approach	Dependent upon which aspects are amended, adopted and implemented, appropriate candidates may not be attracted to apply.	Criteria set out in the application pack have been designed ensure that candidates for this role can offer the expertise and knowledge to the Committee, balanced with political neutrality. Any changes to approach need to be carefully considered to ensure this would still be the case.
Implement the suggested approach	The implementation of the proposed approach should provide for the best	This option should provide the most effective mitigation to

	possibility of attracting suitable, good quality candidates to which will in due course improve the effectiveness of the Audit and Governance Committee.	the risk of not attracting any or poor-quality candidates for this role.
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Implications and Comments

Monitoring Officer/Legal

- 19 The co-option of independent members to the Audit and Governance Committee is needed to ensure compliance with the membership changes approved by Council and included in the Constitution.
- 20 Any appointments must comply with s102(3) Local Government Act 1972 (power to co-opt from outside Council membership) and s13 Local Government & Housing Act 1989 (which pertains to voting rights).

Section 151 Officer/Finance

- 21 Expense arrangements in place are consistent with those for other non-elected, co-opted committee members. There are no financial implications outside of the Council's Medium-Term Financial Strategy in adopting the recommendations proposed.

Policy

- 22 The arrangements in this report seek to implement the recommendations which have been agreed to, having demonstrated that the Committee has considered best practice, and the findings of the CIPFA review of the Audit and Governance Committee. This is in keeping with the following objective in the Corporate Plan.

An open and enabling organisation

- ensuring there is transparency in all aspects of council decision making

Equality, Diversity and Inclusion

- 23 Applications are welcomed from across the Cheshire East Borough and will be assessed in line with the criteria set out to ensure the successful candidate can offer the required expertise and knowledge to the Committee.

Human Resources

- 24 There are no direct Human Resources Implications. Whilst the co-opted independent members are not employees of the Council, the successful applicants will receive specific training to enable them to undertake their new role effectively.
- 25 Whilst operating as a member of the Audit and Governance Committee, co-opted independent members are expected to follow the Nolan Principles of Standards in Public Life, which form the basis of the elected Member's Code of Conduct.

Risk Management

- 26 The risk of not attracting candidates for this role will be managed through the strategy for marketing the role across the Council's social media channels and local press engagement, however, failure to attract candidates will impact on the recruitment of co-opted members within the timescale set out in this report.
- 27 There are clear criteria set out in the application pack to ensure that candidates for this role can offer the expertise and knowledge to the Committee, balanced with political neutrality.

Rural Communities

- 28 There are no direct implications for rural communities.

Children and Young People including Cared for Children, care leavers and Children with special educational needs and disabilities (SEND)

- 29 There are no direct implications for children and young people.

Public Health

- 30 There are no direct implications for public health

Climate Change

- 31 There are no direct implications for Climate Change

Access to Information	
Contact Officer:	Josie Griffiths Head of Audit and Risk

	josie.griffiths@cheshireeast.gov.uk
Appendices:	<p>Appendix 1 – Proposed application pack including role profile.</p> <p>Appendix 2 – Proposed timeline for recruitment</p>
Background Papers:	None



CESHIRE EAST BOROUGH COUNCIL

AUDIT AND GOVERNANCE COMMITTEE

Appointment of an Independent Member

Application Pack

<p style="text-align: center;">AUDIT AND GOVERNANCE COMMITTEE APPOINTMENT OF CO-OPTED INDEPENDENT MEMBERS</p>

This application pack includes;

- Background to Cheshire East Council
- The Council's Audit and Governance Committee
- Applicant Information; role description and role specification
- Cheshire East Council Member's Code of Conduct
- Application Process

Expectations of applicants

The Council is currently recruiting for a co-opted independent member of the Audit and Governance Committee.

The successful applicant will need to be available to attend approximately 5 meetings of the Committee in any year and any associated training and development events. We expect that applicants will need to be able to attend a combination of virtual and physical meetings. Applicants will need to be contactable throughout the year. The appointment will be made for 4 years.

Applicants must disclose to the Council any matter that might damage the reputation of the Council or indicate a real or perceived conflict of interest with the role of the Audit and Governance Committee.

Previous experience of audit committees may be helpful but is not essential.

Co-opted independent members should not be (or have been, within the last 3 years) an Elected Member or employee of Cheshire East Council; or any of its wholly owned companies; or Everybody.

Co-opted independent members should not be (or have been, within the last 5 years) a Councillor/Elected Member with any other Local Authority (including town or parish councils).

Co-opted independent members should not be affiliated with any political party, or have been affiliated, within the last 5 years.

The council seeks to reflect and represent all of its residents and welcomes applications from the Cheshire East community. The successful candidate will be resident in the Cheshire East area.

The co-opted independent member is not a job vacancy; should you be appointed you will not be an employee of the Council. The successful applicant will receive specific training to enable them to undertake their new role effectively.

The closing date for receipt of applications is Friday 8 September 2023

CHESHIRE EAST COUNCIL

Background

Cheshire East Council was established in April 2009 as part of the structural changes to local government in England. It brought together the boroughs of Macclesfield, Congleton and Crewe and Nantwich which, with part of Cheshire County Council, forming the third largest unitary authority in the North West with around 400,000 residents.

The Council is responsible for, amongst other things, maintaining the roads, providing transport services, commissioning school places and specialist support services for vulnerable children and their families, educating children, providing social care to elderly and vulnerable people and looking after waste and recycling.

Cheshire East is a great place, full of potential. We have strong employment opportunities, attractive places to live and standards of education are high. The challenge is how we maintain our position, continuing to create sustainable growth that will support the wellbeing of our residents and the economy on which that depends, whilst protecting existing residents and green spaces.

Our elected members have a pivotal role in bringing about improvements to the quality of life of people living in the Borough. They do this by making decisions, delivering change, challenging and scrutinising proposed actions and taking up issues raised with them by their constituents.

THE AUDIT AND GOVERNANCE COMMITTEE

The Audit and Governance is a key component of the Council's arrangements to support good governance at Cheshire East Council. It provides

- i. an independent and high-level focus on the audit, assurance and reporting arrangements that underpin good governance and financial standards;
- ii. independent review of the Council's governance, risk management, control frameworks and oversees the financial reporting and annual governance processes; and
- iii. promotes high standards of ethical behaviour by developing, maintaining and monitoring Codes of Conduct for Councillors and co-opted Members (including other persons acting in a similar capacity).

The Audit and Governance Committee, like all of the Council's Committees, must be politically balanced. However, the success of the Audit and Governance Committee depends upon its ability to remain apolitical. It must adopt a non-political approach to its meetings and discussions at all times.

The co-option of independent members will help to bring additional knowledge and expertise to the committee and also reinforce its political neutrality and independence.

Co-opted members to Council committees are not members of the Council itself, therefore other than in limited circumstances (for example, an advisory committee established under s102(4) Local Government Act 1972) they have no voting rights. Co-opted members would instead be consulted during committee meetings and their views taken into account by voting members of the committee.

Where the Council has delegated to the Committee decisions such as the adoption of financial statements, the independent member should not be able to vote on those matters.

The detailed functions in respect of governance, risk and control; internal audit; external audit; financial reporting; accountability arrangements; related functions and standards arrangements can be found in the Council's [Constitution](#).

INDEPENDENT MEMBER ROLE PROFILE

1. To promote and support the good governance of the Council and its affairs
2. To promote and support open and transparent government
3. To provide support and encouragement to new Councillors
4. To be committed to the values of the Council, set out in our [Corporate Plan](#)
5. To be committed to the values expected of those in public office, established in the Seven Principles of Public Life:
 - Selflessness
 - Integrity
 - Objectivity
 - Accountability
 - Openness
 - Honesty
 - Leadership

INDEPENDENT MEMBER PERSON SPECIFICATION

The successful candidate will be able to demonstrate the following

1. Good advocacy skills; able to present relevant and well-reasoned arguments, and provide effective and constructive challenge
2. Ability to set aside own views and, at all times, remain open-minded, objective and impartial and act with integrity
3. Ability to analyse, interpret and absorb information and evidence effectively and quickly
4. Good communication and interpersonal skills; a confident public speaker

5. Ability and willingness to challenge ideas and contribute positively to policy development
6. To pay particular attention to the need to avoid predetermination and bias when participating in the decision-making of regulatory committees
7. Understanding the role of officers, members and other agencies and ability to have constructive and challenging dialogue with other Members and Officers
8. Respect for, and desire to work with different groups and individuals with a commitment to supporting continual improvement and development within the Council
9. Practical experience in financial management/accountancy within the public or private sector
10. Understanding and compliance with confidentiality requirements

Demonstrating the following would be desirable:

11. Knowledge and understanding of meeting law, rules and conventions
12. Understanding of delegated powers
13. Understanding of strategic, policy and service contexts for decisions, focusing on material issues
14. Knowledge of and commitment to the values of the Council
15. An understanding of the roles and purpose of Internal and External Audit

BEHAVIOUR and CODE OF CONDUCT

Cheshire East Council adopted its Members Code of Conduct in [October 2022](#).

Whilst operating as a member of the Audit and Governance Committee, co-opted independent members are expected to follow the Nolan Principles of Standards in Public Life, which form the basis of the elected Member's Code of Conduct.

For information, a copy of the current code of conduct can be found here; http://www.cheshireeast.gov.uk/council_and_democracy/your_council/councillor_conduct.aspx

APPLICATION PROCESS

Closing Date

The closing date for receipt of applications is **Friday 8 September 2023**

Please submit your application form to:

Director of Governance and Compliance
Cheshire East Council
C/O Municipal Buildings
Earle Street
Crewe
CW1 2BJ

Or monitoringofficercec@cheshireeast.gov.uk

Selection of candidates will be strictly in accordance with the role description and role specification outlined in this pack and will be based on the information contained in your application only, as supported by references.

Acknowledgements

Your application will be acknowledged and you will be advised as to whether you have been selected for interview or not in due course.

Selection

Short listing for this appointment will be based upon an assessment of how applicants meet the criteria in the 'Person Specification' as evidenced by the application.

It is suggested therefore that you include information on how you meet the criteria.

The Interview Panel will be made up of senior members of the Council.

Referees

Please note that your 2 referees will be contacted without further notice to you unless you indicate to the contrary.

<p align="center">APPLICATION FOR APPOINTMENT AS AN INDEPENDENT MEMBER OF THE AUDIT AND GOVERNANCE COMMITTEE</p>

1 PERSONAL DETAILS

TITLE :

FULL NAME:

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HOME ADDRESS:

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CONTACT TELEPHONE NO:

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EMAIL:

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2 Have you ever been a Councillor, co-opted member or officer of Cheshire East Council or a Councillor, co-opted member or officer of a parish or town council which falls within Cheshire East?

YES/NO

<i>If your answer to this question is yes, please give the date on which you <u>ceased to be</u> a Member or employee.</i>
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3 Are you related to, or a close friend of, a member or employee of Cheshire East Borough Council?

YES/NO

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If your answer to this question is yes, please give details below

4 Are you, or have you been a member of a political party?

YES/NO

If the answer to this question is yes, please give details below

5 Please indicate whether there is any matter concerning your own conduct which, if it were generally known, might affect public confidence in your ability to contribute to the work of the Audit and Governance Committee.

6 Please confirm that you are able to meet the attendance requirements of the role i.e. attending ad hoc meetings (called at short notice) at Council venues or by way of telephone conference.

7 Please say why you wish to be considered for the post of Independent Member and what you could offer the Council. Give brief details of your experience (e.g. employment/business/professional/voluntary/public service) and qualifications, and any other matter which you consider relevant to your suitability for appointment. Please also explain how you meet the role specification outlined in the application pack.

Continue on a separate sheet if required

8 References: Please give the name, address, and telephone number of two referees who are not related to you and are not members of a

borough/town or parish council within Cheshire East and who are able to comment on your suitability for appointment. (Your referees will be contacted without further notice to you, unless you indicate to the contrary).

Referee 1

Name:

Address:

Telephone Number:

Referee 2

Name:

Address:

Telephone Number:

Data Protection Act

Information from this form will be processed in accordance with the Data Protection Act 2018. In signing it you agree to this data being held and processed and if appointed to the position you also agree to further personal information, including sensitive data (e.g. bank details) being held and processed by Cheshire East Council in accordance with the Act.

DECLARATION								
I wish to be considered for appointment as an Independent Member of the Audit and Governance Committee and confirm that, if appointed, I will undertake to observe the code of conduct for councillors and co-opted members of Cheshire East Council, as adopted by the Council.								
The information which I have given is true and complete to the best of my knowledge and belief.								
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Please return the completed application form to:

Director of Governance and Compliance
Cheshire East Council
C/O Municipal Buildings
Earle Street
Crewe
CW1 2BJ

Or monitoringofficercec@cheshireeast.gov.uk

Deadline for receipt of applications: **Friday 8 September 2023**

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Appendix 2

Proposed timeline for recruitment of co-opted independent members of the Audit and Governance Committee

For Council to approve candidate at 18 October 2023 meeting

w/c 24 July 2023	Report on suggested approach including draft application pack to be considered and approved by Audit and Governance Committee (27 July)
w/c 31 July 2023	Web page to be launched, press release published by Communications team, social media campaign begins Application period opens
w/c 4 September 2023	Application deadline: Friday 8 September
w/c 11 September 2023	Shortlisting of candidates to take place by a panel including the Chair of Audit and Governance Committee supported by officers if needed.
w/c 18 September 2023	Interviews to be held
w/c 25 September 2023	Provisional offers to be made to successful candidates subject to reference check Update to be provided to Audit and Governance Committee – 28 September 2023
w/c 10 October 2023	Report to be submitted to Council nominating successful candidates
w/c 15 October 2023	Thursday 18 October 2023 - Council
w/c 22 October 2023 onwards	Subject to Council appointment, Induction training for co-opted independent members Co-opted independent members introduced to Committee.
w/c 4 December 2023	Thursday 7 December 2023 – Audit and Governance Committee