

<b>REPORT TO:</b>	Council
<b>REPORT NO:</b>	HF/36/18
<b>DATE:</b>	28 March 2018
<b>LEAD MEMBER:</b>	Councillor Mark Pritchard (Organisation - Finance, Performance, Health and Safety and Governance)
<b>CONTACT OFFICER:</b>	Mark Owen (Tel: 292701)
<b>SUBJECT:</b>	Independent Lay Member to the Audit Committee
<b>WARD:</b>	N/A

## 1. PURPOSE OF THE REPORT

To consider extending the current Independent Lay Member to the Audit Committee's appointment term until 30 September 2020.

## 2. EXECUTIVE SUMMARY

- 2.1 The current Independent Lay Member to the Audit Committee was initially appointed by Council (HCCS/00/4) on 24 September 2014 for the two year period up to and including 30 September 2016. This appointment was subsequently extended for a period of two years to 30 September 2018 (HF/36/16).
- 2.2 The Statutory Guidance from the Local Government Measure 2011 recommends that "a lay member should not be appointed for more than two full terms of a local authority i.e. eight years. This extension would take the appointment period up to six years.
- 2.3 An extension would allow continuity and consistency and also eliminate the risk of there being no suitable new candidates to replace the current Independent Lay Member.
- 2.4 The Independent Lay Member was elected Chair of the Audit Committee on 15 June 2017 and served in that position for the Municipal Year 2017-18. The Audit Committee elects the Chair of the Audit Committee in accordance with the Local Government Measure (Wales) 2011 (the Measure).

### 3 RECOMMENDATION

- 3.1 That Council approves the extension of the current Independent Lay Member to the Audit Committee's appointment term for a further two year period up to and including 30 September 2020.

#### REASONS FOR RECOMMENDATION

To comply with the requirements of the Local Government (Wales) Measure 2011

### 4. BACKGROUND INFORMATION

- 4.1 Section 82 (2) (b) of the Local Government Measure (Wales) 2011 (the Measure) requires local authorities to make provision to ensure that at least one member of its Audit Committee is an independent lay member, with voting rights.
- 4.2 The Statutory Guidance from the Local Government Measure 2011 states that "lay members should be independent from the council and have no business connection with it". The guidance goes on to state "in appointing lay members whose political allegiances are well known, local authorities should consider if this compromises the independence from the council a lay member should possess.
- 4.3 The current Independent Lay Member on the Audit Committee was initially appointed by Council (HCCS/100/4) for the period up to and including 30 September 2016 on 24 September 2014. This appointment was subsequently extended for a period of two years to 30 September 2018 (HF/36/16).
- 4.4 An appointment process for a new Lay Member would have to commence now to ensure that an appointment was made in time for any Audit Committee meeting after September 2018. The previous appointment processes did not generate any significant interest and there were a limited number of candidates with suitable experience. The Audit Committee cannot function without at least one lay member.
- 4.5 **Policy Framework** – Not applicable
- 4.6 **Budget** – The Independent Lay Member will be entitled to an allowance specified by the Independent Remuneration Panel for Wales.
- 4.7 **Legal** – The appointment of an Independent Lay Member is required in order to comply with the Measure. The Statutory Guidance accompanying the Measure states that "a lay member should not be appointed for more than two full terms of a local authority."
- 4.8 **Staffing** – There are no direct staffing implications as a result of this report
- 4.9 **Equality/Human Rights** – Members are advised of their duty to consider the full Equality Impact Assessment which is available at <http://vmwinsqld/equalityisalive/Menu.aspx> - report number CCS/EIA000080/2015. Members of the public can request a copy of the full Equality Impact Assessment from the Contact Officer named in the header box of this report. A summary of the Equality Impact Assessment is attached as Appendix 1.

4.10 **Risks** – If a new appointment process failed to appoint a suitable Independent Lay Member then the Audit Committee would not be able to function in accordance with the Measure.

## 5. CONSULTATION

5.1 There has been no consultation on this subject.

## 6. EVALUATION OF OPTIONS

6.1 Extend the current Independent Lay Member's term for a further two years.

6.2 Commence an appointment process for a new Independent Lay Member.

<b>BACKGROUND PAPERS</b>	<b>LOCATION</b>	<b>WEBSITE INFO.</b>
The Local Government (Wales) Measure 2011 Statutory Guidance	Welsh Government website	<a href="http://gov.wales/docs/dsjlg/publications/localgov/120625statguideen.pdf">http://gov.wales/docs/dsjlg/publications/localgov/120625statguideen.pdf</a>