

# LONDON BOROUGH OF CROYDON

<b>REPORT:</b>	<b>Council</b>	
<b>DATE OF DECISION</b>	<b>13 December 2023</b>	
<b>REPORT TITLE:</b>	<b>Audit and Governance Committee Independent Member Appointment</b>	
<b>CORPORATE DIRECTOR / DIRECTOR:</b>	<b>Stephen Lawrence-Orumwense, Director of Legal Services and Monitoring Officer</b>	
<b>LEAD OFFICER:</b>	<b>Adrian May, Interim Head of Democratic Services</b> <a href="mailto:Adrian.may@croydon.gov.uk">Adrian.may@croydon.gov.uk</a>	
<b>LEAD MEMBER:</b>	<b>Cllr Jason Cummings</b>	
<b>KEY DECISION?</b> [Insert Ref. Number if a Key Decision]	<b>No</b>	REASON: N/a
<b>CONTAINS EXEMPT INFORMATION?</b>	<b>No</b>	Public
<b>WARDS AFFECTED:</b>	<b>All</b>	

## 1. SUMMARY OF REPORT

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

## 2. RECOMMENDATION

## **2.1 Council is asked to:**

2.1 Support the recommendation of the Audit and Governance Committee for the preferred candidate David Clarke to be appointed as an independent co-opted non-voting member of the Committee; and,

2.2 Agree that David Clarke be appointed 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 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 7 July 2022, this committee delegated 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 Council to confirm the appointment.

4.3 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 was identified.

4.4 Council is recommended to agree the appointment of David Clarke as an independent co-opted non-voting member of the Audit and Governance Committee, in relation to Audit functions only. 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.

- 4.5 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.
- 4.6 In the event that Council agrees 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.
- 4.7 Co-opted members of the Council are also expected to declare their interests and adhere to the Council's Code of Conduct.

## **5 FINANCE IMPLICATIONS**

5.1.1 Finance have been consulted and can confirm that there are no financial implications resulting from this report. The post is not a paid position.

5.1.2 Comments approved by Lesley Shields, Head of Finance for Assistant Chief Executive and Resources on behalf of the Director of Finance.  
21/11/23

## **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 Part VI of the 1972 Act, or under any other enactment. Part V of the 1972 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. The proposed appointment falls within the provisions of the Scheme.
- 5.2.6 *Approved by:* Head of Litigation and Corporate Law on behalf of Stephen Lawrence-Orumwense Director of Legal Services and Monitoring Officer

### 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. (21/11/23)

### 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,

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 There are no adverse impact arising from the contents of this report.

5.4.4 Approved by: Naseer Ahmad for the Equality Programme Manager.  
(17/11/2023)

## **5 APPENDICES**

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

Appendix B – Audit and Governance Committee, Minutes, 29 September 2023

## **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](mailto:democratic.services@croydon.gov.uk)

Deadline for applications is Monday, 23<sup>rd</sup> 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.