

**Special Audit Committee – 3<sup>rd</sup> February 2011**

**Appointment of an Independent Member to Audit Committee**

**Summary of report:**

To ensure that the Audit Committee approves a properly constituted Appointments Panel to undertake the interviewing of candidates short-listed for the position of the Independent Member to Audit Committee.

**Background papers:**

Report to Audit Committee on 7<sup>th</sup> December 2010 entitled 'Options for Appointment of an Independent Member to Audit Committee'.

**Recommendations:**

The Audit Committee is recommended to: -

1. rescind Minute No 783/10 (5);
2. approve that the Appointments Panel be established and now consist of 4 Elected Members from amongst the Audit Committee Membership in order to ensure political balance.
3. delegate authority to the Appointments Panel to interview candidates and recommended an appointee to the Audit Committee.
4. seek nominations and approve the membership of the Appointments Panel comprising two conservative Members, one Labour Member and one Liberal Democrat Member.
5. acknowledge that the Panel will include the Assistant Director – Finance and Head of Internal Audit in an impartial advisory capacity.



**James Walsh – Assistant Director Finance**  
**25<sup>th</sup> January 2011**

## **Background**

- 1.1 At the meeting of the audit Committee held on 7th December, 2010, the Committee resolved the following: -

That the Committee agrees:-

- (1) That one Independent Member should be appointed;
- (2) That their role should follow the remit set out in Appendix 2 to the report now submitted;
- (3) That their term of appointment should be for two years;
- (4) That the Independent Member should be entitled to travelling and subsistence expenses only;
- (5) That the selection panel should consist of three Members of the Audit Committee, together with the Assistant Director - Finance and Head of Internal Audit.

- 1.2 Since the meeting on 7<sup>th</sup> December, an advert was placed in the local press inviting people to apply for the position of Independent Member to Audit Committee, giving a closing date of 14<sup>th</sup> January, 2011.
- 1.3 Applications have been received and short listing is taking place based on applicants' credentials and relevant experience / expertise.
- 1.4 When the Appointments Panel meets and selects one of the candidates to recommend for Appointment, the recommendation will be subject to the agreement of the Audit Committee at its next available meeting.
- 1.5 When the Audit Committee receives the Appointments Panel's recommendation, the Audit Committee shall make a suitable recommendation to the next available Council meeting that the appointment be approved, with Council being the proper body with Authority to make Independent Member Appointments to Committees.

### **2.0 Resource and legal considerations:**

- 2.1 The appointment of an Independent Member would incur eligible travel and subsistence expenses, which can be met from within existing budgets.

### **3.0 Performance and risk management issues:**

- 3.1 Suitably qualified and experienced independent members serving on Audit Committees can bring specialist knowledge and insight to the workings and deliberations of the Committee which, when partnered with elected members' knowledge of working practices and procedures, enhances the performance of the Committee.

### **4. Equality Implications:**

- 4.1 The appointment process as detailed above actively encouraged applicants from a diversity of backgrounds.

### **5.0 Consultation:**

5.1 Consultation has taken place with officers from Constitutional Services.

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## Appendix 1

### Extract from the Approved Action Plan

### Review of Audit Committee Effectiveness at Walsall Metropolitan Borough Council

Ref	Recommendation	Priority	Council Comment	Responsibility	Timescale
Skills and Knowledge of the Audit Committee					
R3	Discuss with officers the options around finding a suitable independent member. Ensure clarity of role objectives to guard against any potential imbalances arising within the committee.	M	Options for sourcing a suitable independent member will be presented to the next meeting of the Committee.	Assistant Director – Finance	7 December 2010



## **WALSALL METROPOLITAN BOROUGH COUNCIL**

### **AUDIT COMMITTEE – INDEPENDENT MEMBER**

#### **ROLE AND DESCRIPTION**

##### **Aims and role**

1. To attend and participate in meetings of the Council's Audit Committee.
2. To assist Members of the Council's Audit Committee to discharge their powers and functions as set out in the remit of the Audit Committee.

##### **Skills required**

4. High ethical standards.
5. Good communication skills both written and oral.
6. Ability to participate in meetings.
7. Ability to examine evidence and complex documentation and take an independent and unbiased view.
8. Ability to speak in public and to make media statements.
9. Ability to represent the Council on other bodies and organisations.

##### **Time commitment**

Not likely to be more than 1 day a month

##### **Remuneration**

A voluntary position, however, travelling and subsistence will be paid at the appropriate level.

### **Special conditions**

You cannot apply, if you have been a Member or employee of the Council at any time during the last 5 years.

You cannot apply, if you are a relative or close friend of a Member or employee of the Council or are employed by or a member of any public body which has an Audit Committee.

You must sign an undertaking to comply with the Council's Code of Conduct for Members.

You must disclose whether you are an active member of any political party at local, regional or national level.

You must disclose whether you hold any contract with the Council.

You must disclose whether you are a party to any outstanding complaint or grievance by or against the Council.

Canvassing by the candidate will disqualify your application.