



WEST OXFORDSHIRE
DISTRICT COUNCIL

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Name and date of Committee	FULL COUNCIL - 25 SEPTEMBER 2024
Subject	APPOINTMENT OF INDEPENDENT MEMBERS TO THE AUDIT & GOVERNANCE COMMITTEE
Wards affected	ALL
Accountable member(s)	Cllr Carl Rylett – Chair, Audit & Governance Committee Email: carl.rylett@westoxon.gov.uk
Accountable officer(s)	Andrea McCaskie, Director of Governance, Monitoring Officer Tel: 01993 861294; Email: andrea.mccaskie@westoxon.gov.uk
Report Author(s)	Andrea McCaskie, Director of Governance, Monitoring Officer Tel: 01993 861294; Email: andrea.mccaskie@westoxon.gov.uk Andrew Brown, Business Manager for Democratic Services Tel: 01993 861634; Email: democratic.services@westoxon.gov.uk
Summary/Purpose	To appoint two appropriately skilled and experienced members of the public to be “independent members” of the Audit & Governance Committee.
Annexes	None
Recommendation/s	The Council resolves to: I. Appoint Gemma Collings and Richard Deuttenburg to the Council’s Audit & Governance Committee for a four-year term, commencing immediately.
Corporate priorities	Working Together for West Oxfordshire
Key Decision	No
Exempt	No
Consultees/ Consultation	Head of Legal Services Business Manager – Democratic Services Head of Internal Audit

	S151 Officer Chief Executive.
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I. BACKGROUND

I.1 Suitably qualified and experienced Independent Member(s) serving on Audit and Governance 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, ensure:

- An effective independent assurance of the adequacy of the risk management framework.
- Independent review of the Authority's financial and non-financial performance.
- Independent challenge to and assurance over the Authority's internal control framework and wider governance processes.
- Oversight of the financial reporting process.

I.2 The Chartered Institute of Finance & Accountancy (CIPFA) recommend in their publication, "Audit Committees – Practical Guidance for Local Authorities & Police" (2022) the following:

I.3 *"Including co-opted independent members (also known as lay members). A co-opted independent or lay member is a committee member who is not an elected representative but recruited to join the committee. The objective of including such members is to increase the knowledge and experience base of the committee, reinforcing its independence. Inclusion of lay members is a legislative requirement for authorities in Wales and for combined authorities in England"*.

I.4 The reasons for CIPFA's recommendation are as follows:

- *"To supplement the knowledge and experience of elected representatives in specific areas, such as audit or financial reporting.*
- *To provide continuity outside the political cycle. This is of particular importance where membership of the committee changes annually or because of elections*
- *To help achieve a non-political focus on governance, risk and control matters.*
- *Having two co-opted members rather than one will allow recruitment of members with different but complementary knowledge and experience, increase the resilience and continuity of the committee.*

Two co-opted members shows a commitment to supporting and investing in the committee.

While including co-opted members can bring real value to the committee, care is needed to ensure that the arrangement works well, both for the co-opted member and for the other committee members. It is essential that the co-opted member receives an adequate induction and ongoing support to provide organisational context and to build working relationships".

I.5 On Tuesday 19 March 2024, the Audit and Governance Committee considered a report which provided a summary of the findings, conclusions and responses from an Audit and Governance Committee self-assessment exercise based on the Chartered Institute of Public Finance and Accountancy (CIPFA) toolkit. The report outlined

how eleven Members of the Audit and Governance Committee had completed a survey, along with three non-Audit and Governance Committee Members. The key areas in the survey included organisational knowledge, Audit and Governance Committee role and functions, governance, internal audit, financial management and reporting, external audit, risk management, counter fraud, values of good governance and treasury management.

1.6 One of the questions in the survey was as follows:

CIPFA recommends that Independent Members (not Councillors) who have knowledge and experience of Audit are introduced to the Audit and Governance Committee? What is your view on this?

1.7 Of the 14 responses to this question, 13 of the respondents supported the introduction of Independent Members to the Committee. The Audit and Governance Committee agreed to recommend to Council that up to 2 Independent Members (not Councillors) be recruited to the Audit and Governance Committee. This recommendation was agreed by full Council at its annual meeting on 22 May 2024.

1.8 Full Council, at its meeting on 22 May 2024, approved a recommendation from the Audit and Governance Committee to commence the recruitment of up to two Independent (non-elected) Members of Audit & Governance Committee, an associated recruitment campaign pack, and an allowance of £75 for up to 4 hours and £150 for more than 4 hours being entitled to travel and subsistence.

2. RECRUITMENT

2.1 The role was advertised on the normal platforms and social media channels with a positive response resulting in ten applications across two recruitment campaigns (the first recruitment campaign was unsuccessful). The interview panel comprised the Director of Governance, the Head of Internal Audit and the Democratic Services Business Manager. Following a robust selection and interview process, two candidates – Gemma Collings and Richard Deuttenburg - demonstrated that they met all of the requirements of the person specification for the role and will bring appropriate expertise to the Committee. Therefore, Gemma Collings and Richard Deuttenburg are recommended for appointment.

2.2 Gemma Collings is Head of Finance and Business Support for an independent marketing agency.

2.3 Richard Deuttenburg is a Chief Risk and Compliance Officer working for the main service provider of a major international alliance.

2.4 Both candidates recommended for appointment live outside of the West Oxfordshire district area but within a reasonable travelling distance of the Council offices in Witney.

3. ALTERNATIVE OPTIONS

3.1 Council could decide not to proceed with the recommended appointments but this option is not recommended given that Council has previously agreed to recruit two Independent Members and the candidates have met all of the requirements.

4. FINANCIAL IMPLICATIONS

4.1 The Members' Allowances Scheme 2023/24 provides that co-opted members of committees may claim a co-optees' allowance of £75 for up to four hours and £150 for more than four hours but less than 24 hours, in respect of attendance at any meeting of the committee, or at a conference or training event, where attendance is authorised by the Council.

4.2 Co-opted members of committees are also entitled to travel and subsistence allowances on the same basis as councillors.

4.3 Any such costs will be funded by the budget for members' allowances.

4.4 There will be a mid-term review of the Members' Allowances Scheme in late 2024 and any changes to the Scheme will be considered by the Independent Remuneration Panel and recommended to full Council in early 2025.

5. LEGAL IMPLICATIONS

5.1 The Council's Audit and Governance Committee is defined by the Local Government Act 2000 and its purpose is to give assurance to elected members and the public about the governance, financial reporting and performance of the Council. The appointment of Independent Members on the Committee is not a legal requirement but is considered to be good practice and will assist and promote good governance.

6. RISK IMPLICATIONS

6.1 The Audit and Governance Committee has a role in overseeing the Council's internal controls and risk management arrangements. The appointment of Independent Members is intended to strengthen the expertise and skills of the Committee.

6.2 If the Council chose not to appoint one or more Independent Members to the Audit and Governance Committee there is a risk that the Committee would not operate in accordance with good practice.

7. EQUALITIES IMPACT

7.1 Equalities issues were taken into account as part of the recruitment and selection exercise. Council is advised to have due regard to equalities issues when making appointments.

8. CLIMATE AND ECOLOGICAL EMERGENCIES IMPLICATIONS

8.1 There will be a requirement for the two Independent Members to travel to meetings of the Audit and Governance Committee. However, any emissions associated with this travel are likely to be more than offset by the recent reduction in the size of the Committee from 17 to 11 Councillors.

9. BACKGROUND PAPERS

None.

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