

Meeting of:	<b>Senior Management Appointment Committee</b>
Date of Meeting:	<b>Friday, 17 December 2021</b>
Relevant Scrutiny Committee:	No Relevant Scrutiny Committee
Report Title:	Recruitment and selection arrangements for the 3 Lay Member positions on the Governance and Audit Committee
Purpose of Report:	To set out the recruitment and selection arrangements for the 3 Lay Member positions on the Governance and Audit Committee
Report Owner:	R Thomas, Managing Director
Responsible Officer:	M. Thomas, Head of Regional Internal Audit Service
Elected Member and Officer Consultation:	No Elected Member consultation is required for this report. Democratic Services
Policy Framework:	Responsibility for the appointment of the Lay Members rests with the Senior Management Appointment Committee.
Executive Summary:	<ul style="list-style-type: none"> <li>The report sets out the recruitment and selection arrangements for the 3 Lay Member positions on the Governance and Audit Committee, which becomes effective post the Council's Annual Meeting in May 2022.</li> </ul>

## **Recommendations**

1. To approve the recruitment and selection arrangements in relation to the 3 Lay Member positions on the Governance and Audit Committee (positions to become effective post the Annual Meeting in May 2022).
2. That the 5 applicants be invited to interview.

## **Reasons for Recommendations**

1. To ensure the appointment is progressed in accordance with the requirements of the Council's constitution.
2. To invite the applicants to interview.

### **1. Background**

- 1.1 The Local Government and Elections (Wales) Act (the Act) was passed by the Senedd on 18th November 2020, precisely a year after it was introduced in 2019 and received Royal Assent on 20th January 2021.
- 1.2 The link to the Act can be found here <https://www.legislation.gov.uk/asc/2021/1/contents/enacted>
- 1.3 Sections 116,117 & 118 refers to membership and meeting proceedings of Governance and Audit Committee. Section 116 requires that one third of the Committees membership must be made up from lay persons appointed by the Council. In addition, there is a requirement for the member appointed as the Chair to be a Lay Member.
- 1.4 At the Council meeting held on 20th September 2021 (Minute No.361 relates to), it was agreed that membership of the Governance and Audit Committee be comprised of 6 Elected Members and 3 Lay Members to take effect from the Annual Meeting May 2022. The Committee cannot lawfully meet post May 2022 unless one third of its membership are Lay Members.

### **2. Key Issues for Consideration**

- 2.1 During October 2021, the Council advertised for the 3 Lay Member positions.
- 2.2 Five applications were received by the 1st November 2021 closing date. They have all been assessed as meeting the criteria for the roles based on their application forms. The Committee is requested to approve that the 5 applicants be invited to interview.

**2.2** If approved the applicants will be interviewed by the Committee, at a future meeting date to be scheduled for January 2022. It is proposed that the interview will consist of each candidate making a short presentation and be asked a number of supplementary questions.

**2.3** A copy of the Role Description is attached at Appendix A.

### **3. How do proposals evidence the Five Ways of Working and contribute to our Well-being Objectives?**

**3.1** These appointments will be on an initial 5-year basis, to last until the next set of Local Government Elections in 2027, with there being an option to extend the appointments for a further five years.

**3.2** These roles will form an important element of the Council's Financial, Governance and Performance Management regimes and will look at how the Council is delivering in meeting its Well-Being and Financial objectives.

### **4. Resources and Legal Considerations**

#### **Financial**

**4.1** Appointment to the above post will be on terms and conditions as outlined by legislation. Lay Members being entitled to claim expenses for their time for attending and prepared for Committee meetings and for attending any relevant training events. Lay Members may also claim subsistence expenses.

#### **Employment**

**4.2** There are no employment issues.

#### **Legal (Including Equalities)**

**4.3** This recruitment process is compliant with Local Government, Employment and Equalities legislation.

**4.4** The recruitment process will be managed in accordance with the Council's equality proofed recruitment and selection policy and the provisions of the Local Authorities (Standing Orders) (Wales) Regulations 2014.

### **5. Background Papers**

## **Chair of Governance and Audit Committee Role Description**

### **1. Accountabilities**

- To Full Council

### **2. Role Purpose and Activity**

**To ensure that the Committee complies with its responsibilities and its Terms of Reference.**

#### **Providing leadership and direction**

- To demonstrate independence, integrity, and impartiality in decision making according to legal, constitutional and policy requirements
- To provide confident and effective management of meetings to facilitate inclusivity, participation and clear decision making
- To comply with the authority's Code of Conduct
- To work according to the Terms of Reference for the Committee
- To work with senior officers of the authority including the Chief Financial Officer and Head of Internal Audit (or equivalent), to agree the forward work programme and to set agendas for the Committee.
- To work with other members of the authority to ensure that the work of the Committee is communicated to and aligns with that of the Cabinet, Standards and Scrutiny functions whilst maintaining appropriate independence.
- To promote the role of the committee within the authority.
- To report as required to Council
- To participate in and contribute to training and development required for the role
- To support committee members to develop the skills required for the role.
- To lead the committee in responding to any recommendations made by the Auditor General for Wales

#### **Leading the Committee in its role in reviewing and scrutinising the authority's financial affairs**

- Make reports and recommendations in relation to the authority's financial affairs
- Oversee the authority's internal and external audit arrangements
- Work with internal and external auditors
- Review the financial statements prepared by the authority and approve them when powers are delegated including making relevant reports and recommendations

### **Leading the Committee in its role in contributing to the effective performance of the authority**

- Review the draft report of the authority's annual self-assessment. Make recommendations for changes to the conclusions or actions that the authority intends to take
- Make recommendations in response to the draft report of the authority's Panel Assessment (commissioned once per term **from May 2022**)
- Review and assess the authority's ability to handle complaints effectively.
- Make reports and recommendations to the authority about the authority's ability to handle complaints effectively.

### **Leading the Committee in its role in Reviewing and assessing the Governance, Risk Management and Control of the authority**

- Review and assess the risk management, internal control, and corporate governance arrangements of the authority
- Make reports and recommendations to the authority on the adequacy and effectiveness of those arrangements
- Review and assess the financial risks associated with corporate governance, and be satisfied that the authority's assurance statements including the annual governance statement reflect the risk environment and any activities required to improve it

### **3. Values**

- To be committed to the values of the council and the following values in public office:
- Openness and transparency
- Honesty and integrity
- Tolerance and respect
- Equality and fairness
- Appreciation of cultural differences
- Sustainability

#### **ADDITIONAL INFORMATION:**

A lay person means a person who:

1. Is not a member or an officer of any local authority.
2. Has not been at any time in the period of twelve months ending with the date of appointment been a member or an officer of any local authority.
3. Is not the spouse of civil partner of a member or an officer of any local authority.
4. Is not disqualified under Section 80 of the Local Government Act 1972 or any other enactment.

In addition to satisfying this criteria, suitable applicants will need to be non-political with an understanding and commitment to the [7 Principles of Public Life](#) (the Nolan Principles) and able to demonstrate the following qualities and characteristics:

- Interest and knowledge/experience of financial, risk and performance management, audit, accounting concepts and standards, and the regulatory regime within Wales;
- Objective and independent of mind with an unbiased attitude and ability to apply discretion;
- Supportive of good governance principles and their practical application towards the achievement of organisational objectives;
- Strategic thinker with excellent communication skills;
- Ability to understand and weigh up evidence and challenge respectfully.

A detailed knowledge of local government is not necessary although it would be expected that potential candidates would be interested in matters relating to public life and services. From May 2022 Governance and Audit Committees will be chaired by a Lay Person, so a willingness and ability to fulfil this role is desirable.

## **Member of Governance and Audit Committee Role Description**

### **1. Accountabilities**

- To Full Council
- To the Chair of the Committee

### **2. Role purpose and activity**

**To support the Committee to comply with its responsibilities and its Terms of Reference.**

#### **Participating in meetings of the committee and making decisions**

- To demonstrate independence, integrity, and impartiality in decision making according to legal, constitutional and policy requirements.
- To have regard to the requirements of the Chair of the Committee and the professional advice of senior officers of the authority including the Chief Financial Officer and Head of Internal Audit (or equivalent)
- To Comply with the authority's Code of Conduct
- To work according to the Terms of Reference for the Committee
- To contribute to the development of the forward work programme for the Committee.
- To promote the role of the committee within the authority
- To report as required to Council
- To respond to any recommendations made by the Auditor General for Wales
- To participate in any training and development required for the role

#### **Contributing to the work of the Committee in its role in:**

##### **Reviewing and scrutinising the authority's financial affairs**

- Make reports and recommendations in relation to the authority's financial affairs
- Oversee the authority's internal and external audit arrangements
- Work with internal and external auditors
- Review the financial statements prepared by the authority and approve them when powers are delegated including making relevant reports and recommendations.

##### **Contributing to the effective performance of the authority**

- Review the draft report of the authority's annual self-assessment and make recommendations for changes to the conclusions or actions that the authority intends to take
- Make recommendations in response to the draft report of the authority's Panel Assessment (commissioned once per term **from May 2022**)
- Review and assess the authority's ability to handle complaints effectively.

- Make reports and recommendations in relation to the authority's ability to handle complaints effectively.
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### **Reviewing and assessing the Governance, Risk Management and Control of the authority**

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- Make reports and recommendations to the authority on the adequacy and effectiveness of those arrangements
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