

<b>COUNCIL</b>			
<b>Report Title:</b>	Appointment of independent member to the Audit Panel		
<b>Key Decision:</b>	No	<b>Item No:</b>	
<b>Ward:</b>	No specific		
<b>Contributors:</b>	Executive Director for Resources and Regeneration		
<b>Class:</b>	Part 1	<b>Date:</b>	20 September 2017

## **1. Executive Summary**

- 1.1. The terms of reference for the Audit Panel, as per the Constitution, allow for up to four independent members.
- 1.2. At present there are two active independent members and the Audit Panel and Public Accounts Committee have asked officers to strengthen the number of independent members on the Panel.
- 1.3. This report proposes a new independent member of the Audit Panel, Carol Murray who brings complementary skills to the other members, be appointed.

## **2. Recommendation:**

- 2.1. Council is recommended to approve that Carol Murray be appointed as an independent member of the Audit Panel.

## **3. Discussion**

- 3.1. The terms of reference for the Audit Panel, as per the Constitution, allow for up to four independent members to provide recent and relevant technical expertise to Members in their scrutiny of the Council's financial statements and operational governance, risk and control arrangements.
- 3.2. At present there are two active independent members. One is a former external auditor and technical lead for the Audit Commission and the other the current Finance Director for Goldsmiths University.
- 3.3. Both the Audit Panel and Public Accounts Committee have asked officers to strengthen the number of independent members on the Panel. With internal audit and counter fraud being the area of work not covered directly by the expertise of the current members.
- 3.4. Officers went to the market through their professional networks and received an application from Carol Murray to be a prospective candidate. She has met

with the Chair and Vice Chair of the Audit Panel, the Head of Corporate Resources and attended the June Audit Panel as an observer.

3.5. A summary of what Carol can bring to the Audit Panel is detailed below:

3.5.1. Carol is formerly the Head of Internal Audit for the London Borough of Hackney and before that the London Borough of Merton. She also served for many years on the London Audit Group, becoming the Chair in 2015. She has a strong track record in overseeing good governance, sound financial management and effective internal audit and counter fraud work.

3.5.2. She is a member of the Chartered Institute for Public Finance and Accountancy, has a good working knowledge of the experiences of other London Boroughs, and would bring extensive recent and relevant experience to the Audit Panel.

#### **4. Financial implications**

4.1. This post is eligible to claim the Council's agreed co-optee allowance of £600 per year plus travel and expenses to attend meetings. These costs will fall to the Financial Services budget.

#### **5. Legal implications**

5.1. The Audit Panel's constitution and terms of reference is set out in Article 9.3 of the Constitution, and that up to four members of the Panel should be independent members. Appointment of independent members to the Panel is a matter for full Council.

5.2. Council has previously agreed that independent members be paid the standard co-optee allowance when the Members' allowance scheme was approved – see Schedule 1 to the Scheme which is at Part VI of the Constitution.

#### **6. Equalities implication**

6.1. No direct equalities implications have been identified, in terms of adverse impact, with respect to the Council's obligations under the Equality Act 2010.

#### **7. Environment and Crime implications**

7.1. There are no environmental or crime considerations to this report

#### **8. Conclusion**

8.1. The Executive Director for Resources & Regeneration recommends that Carol Murray is fully qualified to sit on the Audit Panel and recommends her appointment as an independent member for the 2017/18 municipal year and future years.