

AUDIT COMMITTEE INDEPENDENT MEMBERS – TERMS OF OFFICE

Audit Committee – 16 April 2024

Report of: Deputy Chief Executive and Chief Officer – Finance and Trading

Status: For Decision

Key Decision: No

Portfolio Holder: Cllr. Kevin Maskell

Contact Officer: Adrian Rowbotham, Ext. 7153

Recommendation to Audit Committee:

Members decide on the terms of office for the two Independent Members.

Introduction and Background

- 1 Within the Constitution of Sevenoaks District Council (Part 6 – Audit Committee, section 2.3) is the following:
- 2 *'The Audit Committee shall be entitled to recommend to Council the appointment of up to two additional co-opted non-voting members. Any co-opted members must have the necessary technical knowledge and skills to be of value to the business of the Committee.'*
- 3 A report on Audit Committee Independent Members was presented to the Audit Committee on 15 July 2021. At the meeting it was resolved that Officers and the Chairman of Audit Committee continue to investigate the value of an Independent Member and a report be brought back to the meeting in January 2022.
- 4 An update report was presented to the Audit Committee on 25 January 2022. At the meeting it was recommended to Council that up to two additional co-opted non-voting members be appointed, at a rate of remuneration similar to other Kent Districts, which may be reviewed after 1 year. The Committee were also supportive of working with Dartford BC on joint appointments.
- 5 At Council on 22 February 2022, it was resolved that the appointment of up to two additional co-opted non-voting members with an allowance of £800 per annum each, be agreed.
- 6 An interview process took place on 23 May 2022 when Mr Mo Chughtai and Lynda McMullan were appointed for an initial term of one year.

Terms of Office

- 7 Both Independent Members were appointed for an initial term of one year which ended in May 2023.
- 8 At the Audit Committee on 28 March 2023 Members were asked to decide on the terms of office following the end of the initial term. Members expressed the view that staggered terms would allow a future Committee, should they wish, the ability to renew the Independent Members' terms for 4 years thereafter. This would avoid the future terms of office expiring at the same time as those of elected members and provide greater stability in the Membership of the Committee.

The Audit Committee resolved that the terms of office of the Independent Members of the Audit Committee be staggered from May 2023 and;
 - a. Mo Chughtai serve as a non-voting, co-opted member for a further 2 year term until May 2025,
 - b. Lynda McMullan serve as a non-voting, co-opted member for a further 1 year Term, until May 2024.
- 9 Therefore, this is the last meeting in Lynda McMullan's current term.
- 10 It is up to the Audit Committee to decide on the new terms of office. There are a range of options including the following:
 - a. Four years from the expiry of the current terms of office so that the terms do not coincide with elected Members to ensure some continuity of membership of the committee.
 - b. To conclude at each full council election.
 - c. Any other time between one and four years.
- 11 Also to consider whether to continue with different terms for each Independent Member so that there is more flexibility in the timings of change of committee membership.
- 12 Members are asked to decide on one of the above options or an alternative following discussion at the committee.

Key Implications

Financial

There are no additional financial implications resulting from the future terms of office as a decision was made by Council to have up to two Audit Committee Independent Members.

Legal Implications and Risk Assessment Statement

Part 6 of the Constitution (as set out above) permits the Audit Committee to recommend the appointment of up to two additional co-opted non-voting members. Any such recommendation will be referred to the next meeting of Full Council for a final decision. Terms of office do not need to go to Full Council for a final decision.

Equality Assessment

The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

Net Zero Implications

The decisions recommended through this paper have a remote or low relevance to the council's ambition to be Net Zero by 2030. There is no perceived impact regarding either an increase or decrease in carbon emissions in the district, or supporting the resilience of the natural environment.

Appendices

None

Background Papers

Audit Committee Independent Members report – Council 22 February 2022

Audit Committee Independent Members – Update report - Audit Committee 25 January 2022

Audit Committee Independent Members report – Audit Committee 15 July 2021

Audit Committee Independent Members Terms of Office – Audit Committee 28 March 2023

Adrian Rowbotham

Deputy Chief Executive and Chief Officer – Finance & Trading