



# Northumberland County Council

## COUNTY COUNCIL

7<sup>th</sup> July 2021

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### **ADDENDUM REPORT – ITEM 11 (PROPOSAL TO APPOINT INDEPENDENT (CO-OPTED) CHAIR OF AUDIT COMMITTEE)**

Report of Councillor Barry Flux, Business Chair

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#### **1 Purpose of the Report**

This report is an addendum to item 11 on the Agenda for County Council on 7 July 2021, and should be read in conjunction with the report on that item which has already been published as part of the County Council Agenda.

This addendum report proposes that, following advertisement of the proposed role of Independent (Co-opted) Audit Committee Chair, and competitive interviews undertaken by the Panel referenced in the Agenda report on item 11, Mr Stephen Watson is appointed by County Council as the Independent (Co-opted) Chair of Audit Committee.

#### **2 Recommendations**

Council is recommended, subject to Council's agreement of the recommendations in the earlier report for Item 11 on the Council Agenda, to appoint Mr Stephen Watson as Independent (Co-opted) Chair of Audit Committee for a period of two years from the date of the Council decision on this matter.

#### **3 Links to the Corporate Plan**

Effective Audit Committee arrangements support all priorities in the Corporate Plan, and those arrangements are codified in the County Council's Constitution.

## **4 Key Issues and Background**

- 4.1 Item 11 on the County Council Agenda for 7 July 2021 proposes to County Council that an Independent (Co-opted) Chair of Audit Committee is established, and that the Constitution is amended to reflect this.
- 4.2 As set out in the report for Item 11, arrangements have meanwhile been expedited in contemplation of this proposed change. This has included advertising the role of Independent (Co-opted) Audit Committee Chair in a local newspaper with wide circulation (the Journal).
- 4.3 Following the closure of the advertisement for the proposed role, applications received were shortlisted against the competencies for the role set out in the proposed role definition and person specification. Those applicants fulfilling the essential competencies were invited to competitive interview by a Panel comprising Councillor Barry Flux (Business Chair), Mrs Jan Willis (Interim Executive Director of Finance and Section 151 Officer) and Mrs Allison Mitchell (Director of Corporate Assurance) on 1 July 2021.
- 4.4 Following that competitive interview process, the Panel agreed that Mr Stephen Watson should be recommended to County Council for appointment as the Independent (co-opted) Chair of Audit Committee for a period of two years (subject to County Council agreeing the Constitutional Changes set out above and in detail in the report on Item 11).
- 4.5 Mr Watson is an experienced audit practitioner of over 25 years' standing, having undertaken a variety of assurance roles at a senior level in a number of public sector organisations including local and central government. He is a Chartered Fellow of the Institute of Internal Auditors and holds an MSc in Audit, Management and Consulting.
- 4.6 Mr Watson is an existing co-opted member on the County Council's Audit Committee, and has successfully cleared all required pre-appointment checks. His proposed appointment as the new Independent (Co-opted) Chair of Audit Committee will result in a vacancy for a co-opted member on the Committee, which will be advertised in the usual way with any proposed appointment to that vacancy reported by the Business Chair to Council for approval in due course.

## Implications

<b>Policy</b>	Effective Audit Committee arrangements are essential to effective governance. The proposals set out in this report will ensure that a move to an Independent (co-opted) Chair is achieved legally and efficiently and in a way consistent with good practice guidance and the Nolan principles.
<b>Finance and value for money</b>	Audit Committee has an established role in reviewing financial governance. The proposed allowance to be paid to the independent (co-opted) Chair will be included in any future reviews of members' allowances to ensure that VFM is achieved.
<b>Legal</b>	The Audit Committee helps ensure the County Council fulfils all relevant legal responsibilities including those in the Accounts and Audit Regulations 2015.
<b>Procurement</b>	Not applicable
<b>Human Resources</b>	A role definition and person specification have been prepared and form part of the proposals recommended to Council for approval.
<b>Property</b>	Not applicable
<b>Equalities</b> (Impact Assessment attached) Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>	Not applicable to the decision requested in this report. Equalities monitoring information is however included on the standard NCC application form which potential candidates will complete in order to be considered for the role.
<b>Risk Assessment</b>	Not applicable.
<b>Crime &amp; Disorder</b>	Not applicable.
<b>Customer Considerations</b>	Not applicable.
<b>Carbon reduction</b>	Not applicable.
<b>Wards</b>	All

## Background papers:

The following background papers and research reports have been used in the compilation of this report and are available for inspection at the offices of the author:

- NCC Constitution, February 2021

**Report sign off**

Monitoring Officer/Legal	Mr Neil Masson, Deputy Monitoring Officer
Executive Director of Finance / S151 Officer	Mrs Jan Willis, ED for Finance (Section 151 Officer)
Chief Executive	Mrs Daljit Lally, Chief Executive
Portfolio Holder(s)	Cllr Barry Flux, Business Chair

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