

**NORTH YORKSHIRE COUNTY COUNCIL****AUDIT COMMITTEE****26 July 2018****APPOINTMENT OF INDEPENDENT MEMBERS****Report of The Chairman of the Audit Committee****1.0 Background**

- 1.1 The Audit Committee is permitted to appoint up to 3 Independent Members to sit alongside County Councillors. The positions are non-voting but bring an alternative and helpful perspective to the work of the Audit Committee.
- 1.2 Independent Members are appointed for a 4 year period which starts on the first anniversary of the Annual General Meeting of the County Council following County Council elections. The current Independent Members' terms therefore came to an end on 16 May 2018. The Audit Committee previously agreed to extend the appointment for the existing Independent Members to 31 July 2018 in recognition of the work required to approve the Statement of Final Accounts and the shortened timetable.
- 1.3 It was also agreed that a recruitment exercise would be undertaken with the intention of making a recommendation to the Audit Committee on 26 July 2018.

**2.0 Recruitment Exercise**

- 2.1 The position of Independent Member of the Audit Committee was advertised and we received 5 expressions of interest. The quality of the applications was high and therefore presented a welcome selection dilemma.
- 2.2 A panel consisting of the Chairman and the Vice Chairman of the Audit Committee plus Corporate Director, Strategic Resources and the Head of Internal Audit was formed in order to hold informal discussions with interested applicants. For practical reasons it has not been possible to conclude those discussions before circulation of the Audit Committee agenda and papers. A verbal update and recommendation will therefore be presented to the Audit Committee for its consideration.

**3.0 Future Arrangements**

- 3.1 The AGM of the County Council takes place in May which is a difficult time for the work of the Audit Committee given one of its key roles is to approve the Statement of Final Accounts (SOFA) which has a deadline of 31 July. The Independent Members have always played a strong role in supporting the Committee to reach its view on the SOFA so it is not regarded as helpful to

potentially replace / lose the Independent Members in the midst of this work. It is therefore recommended that Independent Member appointments last for a period of 4 years up to and expire at the close of 31 July. So, for example, the appointments that the Audit Committee are scheduled to make on the 26 July 2018 would be appointments up to and including 31 July 2022.

#### **4.0 Recommendation**

- 4.1 The Audit Committee is asked to consider the proposed appointments to the role of Independent Member to the Audit Committee which will be provided verbally at the meeting.
- 4.2 The Audit Committee is recommended to ask the Constitution Members Working Group to extend the term of Independent Members of the Audit Committee to 31 July of the respective year in order to provide consistency during the period for production and subsequent approval of the Statement of Final Accounts.

County Councillor Cliff Lunn  
Chairman of the Audit Committee  
26 July 2018