

**MRWA APPOINTMENT OF INDEPENDENT MEMBER TO THE AUDIT
COMMITTEE**
WDA/26/25

Recommendation

That Members:

1. Approve the principle of co-opting an Independent Person onto the MRWA Audit Committee on a non-voting basis. This will bring the MRWA Audit Committee in line with CIPFA guidelines on independent members as well as many other local authorities;
2. Authorise the Director of Finance and the Chair of the Audit Committee to undertake a recruitment process and appoint an independent person to the Audit Committee for a period up to 31 March 2029;
3. Approve remuneration in respect of the position of £500 per annum, plus expenses; and
4. Approve the person specification attached at Appendix 1.

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MRWA INDEPENDENT MEMBER**WDA/26/25****Report of the Director of Finance****1. Purpose of the Report**

- 1.1 To approve the principal of appointing an independent member to the Audit Committee and authorise the Director of Finance and the Chair of the Audit Committee to undertake a recruitment process and appoint an independent person to the Audit Committee for a period up to 31 March 2029.

2. Background

- 2.1 Audit Committees are a key component of corporate governance. They are a key source of assurance about the organisation's arrangements for managing risk, maintaining an effective control environment, and reporting on financial and non-financial performance. Independent members with appropriate skills and experience supplement those of the elected members and improve the effectiveness of the Audit Committee.
- 2.2 The appointment of independent auditors is recommended by accountancy bodies such as CIPFA and the government. By way of example, an independent review in 2020, led by Sir Tony Redmond, into the effectiveness of local authority financial reporting and audit contained the following recommendation:

Fundamentally, it is important that councils, as with other public bodies, have appropriate measures in place: the government considers it proportionate to establish a simple principle that local authorities should have an audit committee, with at least one independent member.

- 2.3 The current government's strategy to overhaul local audit in England envisages mandating audit committees to meet this recommendation (see link below to the Government's response to the consultation undertaken in 2025 below).

[Local audit reform: Government response to the consultation to overhaul local audit in England - GOV.UK](#)

3. Key areas of the report

- 3.1 The Authority is requested to consider the appointment of an Independent Person (IP) to the Audit Committee. The IP would be a non-councillor with some experience in the area of finance and audit. The IP would have not a vote in the same way as councillors do at committee and will be there in an advisory consultative manner. Suitably qualified and experienced independent member(s) serving on Audit Committees can also bring specialist knowledge and insight to the workings and deliberations of the committee which complements elected members' knowledge of working practices and procedures.
- 3.2 The responsibilities of the IP would be to assist the Audit Committee in carrying out the following duties:
- Consideration of the effectiveness of the Authority's risk management arrangements;
 - Obtain assurance that the Authority's accountability statements, including the annual governance statement, properly reflect the risk environment, and any actions required to improve it, and demonstrate how governance supports the achievement of the Authority's objectives;
 - Provide independent challenge to and assurance over the Authority's internal control framework and wider governance processes;
 - Consideration of the effectiveness and independence of the Authority's internal Audit function.
- 3.3 Annual remuneration of £500 plus reasonable travel and other expenses would be paid to the appointed member.
- 3.4 A draft person specification for the role is attached as Appendix A.

4. Risk Implications

- 4.1 Subject to adequate vetting procedures and adherence to the Person Specification, this initiative should augment the Audit Committee's independence, provide additional expertise, and provide an opportunity for the committee to play an enhanced role in the governance of the Authority.

5. HR Implications

- 5.1 There are no HR implications

6. Environmental Implications

- 6.1 There are no environmental implications

7. Financial Implications

- 7.1 The costs associated with the recruitment, selection, appointment and subsequent disbursements to any independent panel members can be contained from within existing revenue service budgets.

8. Legal Implications

- 8.1 An Authority's Audit Committee is defined by the Local Government Act 2000 and its purpose is to give assurance to elected members and the public about the governance, financial reporting and performance of the Authority. The appointment of independent members on the committee will assist and promote good governance and scrutiny of the committee.

9. Conclusion

- 9.1 It is recommended that recruitment be on a competitive basis following the Authority's usual recruitment procedures.

10. Appendices

- 10.1 The appendices to this report are:

Appendix 1: Person Specification

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The background documents to this report are open to inspection in accordance with Section 100D of The Local Government Act 1972 - Nil.

APPENDIX 1: Person specification

Requirements	Where identified*	Essential	Desirable
A broad range of experience, preferably in public, private, voluntary and charitable sector employment or service including self-employed, employed and voluntary positions.	A	X	
Understanding of the wider local government environment and accountability structures.	A		X
Strategic/financial management responsibilities.	A		X
Qualification in accountancy, finance, risk management, business management or internal audit.	A		X
Good understanding of corporate governance and risk management and the key elements of audit, value for money and external scrutiny. The ability to formulate and evaluate solutions to the issues identified.	A		X
Good understanding of the roles of internal and external audit.	I		X
Ability to understand complex issues and make objective, evidence-based decisions.	I	X	
Strong interpersonal and communication skills.	I	X	
Willingness to participate in meetings and ask searching questions in order to challenge and hold to account council officers and the representatives of internal and external audit.	I	X	
Attend and prepare for each meeting of the Joint Audit and Governance Committee.	I	X	
Ability/willingness to attend any relevant training or development activities associated with the role.	I	X	
Independence of mind, objectivity and impartiality.	I	X	
Experience of chairing meetings ¹	A		X

* **A is application form** **I is interview**

¹ Included for the event that the Government subsequently mandates an independent chair for all local authority audit committees