



Liverpool
City Council

Liverpool City Council

AUDIT COMMITTEE

Appointment of Independent Technical Advisers

Application Pack

August 2024



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LIVERPOOL CITY COUNCIL AUDIT COMMITTEE

APPOINTMENT OF CO-OPTED INDEPENDENT TECHNICAL ADVISERS

This application pack includes

- Background to Liverpool City Council
- The Council's Audit Committee
- Applicant Information; role description and role specification
- Liverpool City Council Member's Code of Conduct
- Application Process

Expectations of applicants

Liverpool City Council is currently recruiting for up to 5 co-opted independent technical advisers to be members of the Audit Committee.

The successful applicant will need to be available to attend approximately 6 meetings of the Committee in any year and any associated training and development events as well as time required for preparation of meetings. We expect that applicants will need to be able to attend a combination of virtual and physical meetings.

Applicants will need to be contactable throughout the year. The appointment will be made for 3 years.

Applicants must disclose to the Council any matter that might damage the reputation of the Council, or indicate a real or perceived conflict of interest with the role of the Audit Committee.

Previous experience of audit committees and/or external auditing of large urban local authorities is desirable. Experience of forensic accounting would be advantageous.

Co-opted independent technical advisers should not be (or have been, within the last 3 years) an Elected Member or employee of Liverpool City Council; or any of its wholly owned companies.

Co-opted independent technical advisers should not be (or have been, within the last 5 years) a Councillor/Elected Member with any other Local Authority.

Co-opted independent technical advisers should not be affiliated with any political party, or have been affiliated, within the last 5 years.

The council seeks to reflect and represent all of its residents and welcomes applications from the Liverpool community or the City Region

The co-opted independent technical adviser is not a job vacancy; should you be appointed you will not be an employee of the Council. The successful applicant will receive specific training to enable them to undertake their new role effectively.

The closing date for receipt of applications is 28th August 2024.

1 Liverpool City Council

Liverpool City Council comprises of 85 Councillors, representing 64 electoral wards. Councillors were elected in May 2023 for a 4-year term. The political composition of the Council is as follows:

- 61 Labour Councillors
- 15 Liberal Democrat Councillors
- 3 Green Party Councillors
- 3 Liberal Party Councillors
- 3 Liverpool Community Independent Councillors

As well as representing their wards, these 85 Councillors sit together to collectively form 'The Council' and are responsible for setting the Council's Budget and Policy Framework. Councillors receive a basic allowance of £10,590.00 for undertaking this role.

The Council operates a Leader and Executive model. This means that the Leader of the Council is elected by Full Council to lead the Council for a 4-year term. The Leader is then responsible for appointing an Executive body (referred to as the Cabinet) and the current Cabinet is made up of 10 members. The Cabinet is responsible for implementing the budget and policy framework approved by the Council. The Leader, Deputy Leader and Cabinet receive Special Responsibility Allowances for undertaking these roles.

2 Audit Committee

The Audit Committee is a key component of the Council's arrangements to support good governance at Liverpool City Council.

The main purpose of the committee is to provide independent assurance of the adequacy of the risk management framework and the internal control environment. It provides independent review of the Council's governance, risk management and control frameworks and oversees the financial reporting and annual governance processes. It oversees internal audit and external audit, helping to ensure efficient and effective assurance arrangements are in place.

The Audit Committee, like all of the Council's Committees, must be politically balanced. However, the success of the Audit Committee depends upon its ability to remain apolitical. It must adopt a non-political approach to its meetings and discussions at all times.

AUDIT COMMITTEE - TERMS OF REFERENCE

1. Purpose

- 1.1. To provide independent assurance of the adequacy of the risk management framework and the internal control environment. To provide independent review of the Council's governance, risk management and control frameworks and oversee the financial reporting and annual governance processes. To oversee internal audit and external audit, helping to ensure efficient and effective assurance arrangements are in place.

2. Composition

- 2.1. The Committee will comprise 11 councillors of the Council and up to five coopted independent members. The independent members are appointed by the Committee. The independent members do not have voting rights.
- 2.2. The Committee may not appoint any person as an independent member who is an active councillor of any political party, defined as any person who engages in political activities which would not be permissible if that person were an officer holding a politically restricted post within the Council. The appointment of Independent Members may only be made if the person has particular knowledge or expertise in the functions for which the Committee is responsible.
- 2.3. Councillors will only be able to sit on the Committee if they have attended training and the Monitoring Officer has confirmed they have attended the requisite training.

3. Quorum

- 3.1. The quorum of the Committee shall be 4 councillors.

4. Powers

- 4.1. The following functions and responsibilities are assigned to the Committee.
Governance, Risk and Control
- 4.2. To monitor the progress and implementation of the Council's improvement plan produced in response to Best Value Inspection.
- 4.3. To review the Council's corporate governance arrangements against the good governance framework, including the ethical framework and to consider the local code of governance.
- 4.4. To review the Annual Governance Statement (AGS) prior to approval and consider whether it properly reflects the risk environment and supporting assurances, taking into account internal audit's opinion on the overall adequacy and effectiveness of the Council's framework of governance, risk management and control.
- 4.5. To consider the Council's arrangements to secure value for money and review assurances and assessments on the effectiveness of these arrangements.
- 4.6. To consider the Council's framework of assurance and ensure that it adequately addresses the risks and priorities of the Council.
- 4.7. To monitor the effective development and operation of risk management in the Council.
- 4.8. To monitor progress in addressing risk-related issues reported to the Committee.
- 4.9. To consider reports on the effectiveness of internal controls and monitor the implementation of agreed actions.
- 4.10. To review the assessment of fraud risks and potential harm to the Council from fraud and corruption.
- 4.11. To monitor the counter-fraud strategy, actions and resources which includes relevant strategies and procedures such as the Council's whistleblowing strategy and procedures.
- 4.12. To review the governance and assurance arrangements for wholly owned companies, significant partnerships, or collaborations. Internal Audit

- 4.13. To approve the internal audit charter.
- 4.14. To approve the risk-based internal audit plan and counter fraud plan, including internal audit's resource requirements, the approach to using other sources of assurance and any work required to place reliance upon those other sources.
- 4.15. To approve significant interim changes to the risk-based internal audit plan and counter fraud plan and resource requirements.
- 4.16. To make appropriate enquiries of both management and the head of internal audit to determine if there are any inappropriate scope or resource limitations.
- 4.17. To consider any impairments to independence or objectivity arising from additional roles or responsibilities outside of internal auditing of the head of internal audit. To approve and periodically review safeguards to limit such impairments.
- 4.18. To consider reports from the head of internal audit on internal audit's performance during the year.
- 4.19. To consider the head of internal audit's annual report and counter fraud report:
 - 4.19.1. The statement of the level of conformance with the Public Sector Internal Audit Standards (PSIAS) and Local Government Application Note (LGAN) and the results of the Quality Assurance and Improvement Program (QAIP) that support the statement – these will indicate the reliability of the conclusions of internal audit.
 - 4.19.2. The opinion on the overall adequacy and effectiveness of the Council's framework of governance, risk management and control together with the summary of the work supporting the opinion – these will assist the committee in reviewing the Annual Governance Statement (AGS).
- 4.20. To receive reports outlining the action taken where the head of internal audit has concluded that management has accepted a level of risk that may be unacceptable to the authority or there are concerns about progress with the implementation of agreed actions.

- 4.21. To contribute to the QAIP and, to the external quality assessment of internal audit that takes place at least once every five years.
- 4.22. To consider a report on the effectiveness of internal audit to support the AGS where required to do so by the Accounts and Audit Regulations. External Audit
- 4.23. To support the independence of external audit through consideration of the external auditor's annual assessment of its independence and review of any issues raised by Public Sector Audit Appointments (PSAA) or the authority's auditor panel as appropriate.
- 4.24. To consider the external auditor's annual letter, relevant reports, and reports to those charged with governance.
- 4.25. To consider specific reports as agreed with the external auditor.
- 4.26. To comment on the scope and depth of external audit work and to ensure it gives value for money.
- 4.27. To advise and recommend on the effectiveness of relationships between external and internal audit and other inspection agencies or relevant bodies. Financial Reporting / Annual Statement of Accounts
- 4.28. To review and approve the annual statement of accounts. Specifically, to consider whether appropriate accounting policies have been followed and whether there are concerns arising from the financial statements or from the audit that need to be brought to the attention of the council.
- 4.29. To consider the external auditor's report to those charged with governance on issues arising from the audit of the accounts.
- 4.30. To seek assurances that the Council has complied with the Treasury Management Strategy and Practices by demonstrating effective control of the associated risks and pursuing optimum performance consistent with those risks. Accountability Arrangements
- 4.31. To report to those charged with governance on the Committee's findings, conclusions and recommendations concerning the adequacy and effectiveness of their governance, risk management and internal control

frameworks, financial reporting arrangements, and internal and external audit functions.

- 4.32. To report to Full Council and Cabinet on a regular basis on the Committee's performance in relation to the terms of reference and the effectiveness of the Committee in meeting its purpose and issues in relation to the implementation of the Council's Strategic Improvement Plan.
- 4.33. To publish an annual report on the work of the Committee.

The co-option of independent technical advisers will help to bring additional knowledge and expertise to the committee and reinforce its political neutrality and independence.

Co-opted technical advisers to Council committees are not members of the Council itself, therefore other than in limited circumstances (for example, an advisory committee established under s102(4) Local Government Act 1972) they have no voting rights. Co-opted technical advisers would have the opportunity to state their opinions during committee meetings and their views taken into account by voting members of the committee.

The detailed functions in respect of governance, risk and control; internal audit; external audit; financial reporting; accountability arrangements; related functions and standards arrangements can be found in the Council's [Constitution](#).

3 Independent Technical Adviser Role Profile

To promote and support the good governance of the Council and its affairs

To promote and support open and transparent government

To provide support and encouragement to new Councillors

To be committed to the values of the Council

To be committed to the values expected of those in public office, established in the Seven Principles of Public Life:

- Selflessness
- Integrity

- Objectivity
- Accountability
- Openness
- Honesty
- Leadership

4 Independent Technical Adviser Person Specification

The successful candidate will be able to demonstrate the following

- Good advocacy skills; able to present relevant and well-reasoned arguments, and provide effective and constructive challenge
- Ability to set aside own views and, at all times, remain open-minded, objective and impartial and act with integrity
- Ability to analyse, interpret and absorb information and evidence effectively and quickly
- Good communication and interpersonal skills; a confident public speaker
- Ability and willingness to challenge ideas and contribute positively to policy development
- Understanding the role of officers, members and other agencies and ability to have constructive and challenging dialogue with other Members and Officers
- Respect for, and desire to work with different groups and individuals with a commitment to supporting continual improvement and development within the Council
- Practical experience in financial management/accountancy (professional services) within the public or private sector
- Understanding and compliance with confidentiality requirements

Demonstrating the following would be desirable :

- Knowledge and understanding of meeting law, rules and conventions
- Understanding of delegated powers
- Understanding of strategic, policy and service contexts for decisions, focusing on material issues
- Knowledge of and commitment to the values of the Council
- An understanding of the roles and purpose of Internal and External Audit

5 Behaviour and Code of Conduct

Liverpool City Council adopted its new Members Code of Conduct in May 2021. Whilst operating as a technical adviser of the Audit Committee, co-opted independent technical advisers are expected to follow the Nolan Principles of Standards in Public Life, which form the basis of the elected Member's Code of Conduct.

For information, a copy of the current code of conduct can be found here;

<https://councillors.liverpool.gov.uk/documents/s299869/Part%204.2%20-%20Councillors%20Code%20of%20Conduct.pdf>

6 Application Process

Closing Date

To apply to be on the Committee, please click apply and you will be asked to register your profile. Where you are asked to add your CV, please add in your CV and the Application form attached to this advert once completed and that will act as your application. Closing date for this role is 30th August 2024, shortlisting will take place W/C 2nd September and Interviews will take place W/C 9th September either on Teams or in person.

For an informal discussion please contact Daniel Sharples at Daniel.sharples@liverpool.gov.uk.

Selection of candidates will be strictly in accordance with the role description and role specification outlined in this pack and will be based on the information contained in your application only, as supported by references.

Acknowledgements

Your application will be acknowledged and you will be advised as to whether you have been selected for interview or not in due course.

Selection

Short listing for this appointment will be based upon an assessment of how applicants meet the criteria in the 'Person Specification' as evidenced by the application.

It is suggested therefore that you include information on how you meet the criteria.

The Interview Panel will be made up of to be determined by the Audit Committee of the Council.

Referees

Please note that your 2 referees will be contacted without further notice to you unless you indicate to the contrary.