AUDIT & GOVERNANCE COMMITTEE

15 July 2026

Public Questions

Question received from Mr Graham Layton

CIPFA (The Chartered Institute of Public Finance and Accountancy) guidelines recommend that county council audit committees include at least two co-opted, non-voting independent members to provide technical expertise. These members are appointed to strengthen the committee's independence, supplement elected members' knowledge and maintain a non-political focus on governance and risk. Independent members are expected to possess professional backgrounds in accounting, audit, risk management, or corporate governance.

I note that Shropshire County Council had only one co-opted member, Jim Arnold, who has not appeared on the list of attendees at the Audit and Governance Committee since November 2025. Equally I would note that Mr Arnold's public CV on LinkedIn does not demonstrate that he has a professional background suitable for the role as detailed in the CIPFA guidance.

Please could the Committee consider the CIPFA guidance with regard to co-opted independent members and provide an answer as to whether they intend to follow it.

Response

Thank you for your question. The Council recognises the importance of independent membership on the Audit and Governance Committee and is aware of the guidance issued by CIPFA regarding the appointment of independent co-opted members. The purpose of independent members is to strengthen the Committee's independence, provide additional expertise and support effective governance and risk management arrangements.

Following the resignation of the previous independent member we are currently making arrangements to recruit and appoint a replacement. As part of this process, the Council will consider the skills, knowledge and experience required to support the Committee in discharging its responsibilities effectively, including expertise relevant to governance, audit, risk and financial management.

Whilst the appointment of independent members has historically been regarded as good practice in England and strongly encouraged through CIPFA guidance, the legislative framework is changing. The English Devolution and Community Engagement Act 2026 introduces a requirement for English local authorities to include at least one independent member on their audit committee. Although the legislation is not yet in force, the Council is taking steps to ensure its arrangements align with the requirements when they take effect.

The Council fully supports the principle of independent membership of the Audit and Governance Committee, is actively seeking to appoint a replacement independent member, and is preparing for the implementation of the new statutory requirements relating to independent audit committee membership. The Council will continue to keep its governance arrangements under review to ensure they remain consistent with legislative requirements and recognised good practice.