

Committee(s):	Date(s):
Audit and Risk Management Committee	8 November 2016
Subject: Appointment of External Members	Public
Report of: The Town Clerk Report Author: Julie Mayer	For Decision

Summary

One of the Audit and Risk Management Committee's External Members, Mr Kenneth Ludlam, has expressed a wish to serve the Committee again, when his current term expires in 2017. Mr Ludlam has served the Committee since its inception in 2011 and his contribution to both the Committee and the Police Performance and Resource Management Sub Committee has been invaluable.

Members are reminded that, at its meeting on 16th January 2014, the Court of Common Council agreed to vary the procedure to allow External Members to be re-appointed for a further term, with 2 terms being the norm. In 2014, the Court agreed to allow the re-appointments of Kenneth Ludlam and Caroline Mawhood for second terms of 3 and 4 years respectively. In September 2015, the Audit and Risk Management Committee agreed to appoint Hilary Daniels for a second term. This had an additional benefit in that the terms of all 3 external members would expire at staggered intervals; i.e. 2017, 2018 and 2019.

Recommendation:

Members are asked to consider whether to recommend, to the Court of Common Council, the appointment of Mr Kenneth Ludlam for a third term of office; of either 1, 2 or 3 years or whether, at this time, they would prefer to seek a fresh perspective and consider a new appointment.

Main Report

Background

At its meeting on 16th January 2014, the Court of Common Council agreed to vary the procedure to allow External Members to be re-appointed for a further term. However, in the interests of maintaining a fresh perspective we recommended, and the Court subsequently agreed that, as the norm, a maximum of two terms be served. In 2014, the terms for Kenneth Ludlam and Caroline Mawhood were renewed for 3 and 4 years respectively and in 2015 Hilary Daniels was also appointed for a second term. The terms of all 3 external members will now expire at staggered intervals; i.e. 2017, 2018 and 2019.

Current position

Kenneth Ludlam's appointment is due to expire in March, 2017 and Mr Ludlam has expressed a wish to continue serving for a further term. Members are asked to note that the UK Corporate Governance Code (Guidance on Audit Committees) states that appointments can be extended by no more than two additional three-year periods, so long as Members continue to be independent. It is not unusual for Local Authorities to appoint external members of both their Audit and Risk and Standards Committees for three terms.

Options

If Mr Ludlam is appointed for a further 3 years, this will have an additional benefit in that the terms of all 3 external members will expire at staggered intervals; i.e. 2018, 2019 and 2020. Alternatively, Members might prefer to seek a fresh perspective and consider a new appointment at this time.

Mr Ludlam is a qualified, very experienced accountant and also serves as a Non-Executive Director of The Supreme Court Management Board, as Chairman of its Audit Committee and is a member of its Remuneration Committee. He is also Trustee of the Hanson Ltd Central Pension Scheme (Defined Benefit Scheme). A full CV has been circulated to Members with the agenda pack for this meeting.

Conclusion

Members are asked to note the content of the report and consider whether to recommend, to the Court of Common Council, to re-appoint Mr Kenneth Ludlam for a third term or whether, at this time, they would prefer to seek a fresh perspective and consider a new appointment.

Background Papers

Report to the Court of Common Council, 16 January 2014.

Mr Ludlam's full CV has been circulated with the agenda pack for this meeting

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