



## **Nominations Sub Committee of the Audit and Risk Management Committee**

**Date:** TUESDAY, 17 JULY 2018

**Time:** 3.45 pm or on the rising of the Audit and Risk Management Committee

**Venue:** COMMITTEE ROOMS, GUILDHALL

**Members:** Alderman Ian Luder (Chairman)  
Alexander Barr (Deputy Chairman)  
Randall Anderson  
Kenneth Ludlam (External Member)  
Caroline Mawhood (External Member)

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**John Barradell**  
Town Clerk and Chief Executive

## **AGENDA**

1. **APOLOGIES**
2. **MEMBERS DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA**
3. **TERMS OF REFERENCE OF THE NOMINATIONS SUB (OF THE AUDIT AND RISK MANAGEMENT COMMITTEE)**  
To note the Sub Committee's Terms of Reference, agreed by the Audit and Risk Management Committee.

**For Information**  
(Pages 1 - 2)
4. **EXTERNAL MEMBER APPOINTMENT FOR A THIRD TERM**  
Report of the Town Clerk.

**For Discussion**  
(Pages 3 - 6)
5. **ITEMS FOR INCLUSION IN THE COMMITTEE'S SKILLS AUDIT**

**For Discussion**
6. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB COMMITTEE**
7. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**

## **Terms of Reference and composition of the Nominations Sub Committee**

**Membership:** 5 or 6 Members, including the Chairman and Deputy Chairman of the Grand Committee and one External Member, to give an independent perspective.

1. To make recommendations to the Audit and Risk Management Committee on the appointment of all External Members to the Committee.
2. To undertake Skills Audits of the Committee periodically (or analyse information from the Committee Effectiveness Survey) to inform the appointment of External Members to the Committee.
3. To consider the most appropriate way to recruit External Members to the Committee, including the placing of advertisements or the use of personal contacts.
4. The Sub Committee will have advisory powers only and make recommendations to the Board.

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<b>Committee(s)</b>	<b>Dated:</b>
Nominations Sub (of the Audit and Risk Management Committee)	17 July 2018
<b>Subject:</b> Re-Appointment of an External Member (3 <sup>rd</sup> Term)	<b>Public</b>
<b>Report of:</b> Town Clerk	<b>For discussion</b>
<b>Report author:</b> Julie Mayer	

## Summary

In January 2014 the Court of Common Council agreed to vary the procedure for the appointment of External Members to the Audit and Risk Management Committee in order to allow them to be appointed for a further term, with a maximum of two terms being served as the norm.

Hilary Daniels has served on the Audit and Risk Management Committee as an External Member since 2012 and, earlier this year, was appointed as the Committee's first External Member Deputy Chairman. Hilary's contributions to the Committee and to last year's Auditor Appointment Panel have been invaluable. Hilary is a qualified accountant, with over 25 years' extensive experience as a Non-Executive Director (and Chairman) of private, public and charitable bodies and is a former Chief Executive and Director of Finance in the NHS. Hilary has expressed a willingness to serve on the Audit and Risk Management Committee for a third term, when her second term expires in 2019. The two other External Members of the Audit and Risk Management Committee have been appointed for third terms, expiring in 2020 and 2021.

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 usual for External Members of Local Authority Standards and Audit Committees to serve three terms.

## Recommendation

The Audit and Risk Management Committee be asked to recommend, to the Court of Common Council, that Ms Hilary Daniels be appointed to the Audit and Risk Management Committee for a third term, expiring in 2022.

## Main Report

### Background

In September 2011, the Court agreed the procedure for appointing External (Independent) Members to the Audit and Risk Management Committee. Subsequent to this, on 16 January 2014, the Court agreed that the procedure be varied to allow existing External Members to be appointed for a further term, with a maximum of two terms being served as the norm. All three External Members of the Audit and Risk

Management Committee have now been appointed for a second term and two of them for a third term. The terms have been staggered, so that Hilary Daniels' current term expires in 2019, with the other External Members' third terms expiring in 2020 and 2021. If Hilary is appointed for a third term, this will expire in 2022.

Hilary is a highly valued, skilled and qualified accountant, with over 25 years' experience, including:

- Non-Executive Directorships of private, public and charitable bodies, also as a Chairman;
- Audit Committee Chairmanship and External/Independent Member of Audit and Risk Committees;
- Former Chief Executive and Director of Finance in the NHS;
- Elected Member of the CIPFA (Chartered Institute of Public Finance and Accountancy) Council from 1994 to 2005;
- Member of a number of Committees, including Disciplinary, Policy and Technical; Chairman of the Health Panel and the Education and Training Committee; President for the year 2003/04;
- Hon. Treasurer and Trustee, or Independent Examiner, for a number of small and medium sized charities.

### **Corporate & Strategic Implications**

If Hilary is appointed for a further 3-year term, this will have an additional benefit in that the terms of all 3 External Members will expire at staggered intervals; i.e. 2020, 2021 and 2022. In the longer term, to keep a fresh perspective and prepare for future External Member appointments, the Audit and Risk Management Committee has prepared for the appointment of new External Members by establishing a Nominations Sub Committee.

### **Conclusion**

Hilary Daniels is a highly valued, skilled and experienced External Member and Deputy Chairman of the Audit and Risk Management Committee. 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. In order to prepare for future External Member appointments, the Audit and Risk Management Committee has established a Nominations Sub Committee. The Audit and Risk Management Committee are asked to recommend, to the Court of Common Council, that Hilary Daniels be appointed for a third term, expiring in 2022.

### **Background Papers**

Report to the Court of Common Council – 17 December 2018 – Re-appointment of an External Member (third term).

Hilary Daniels' full CV will be circulated to Members separately.

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