

Audit Committee 4th January, 2016

Independent Members to Audit Committee: Term of Office Expiry of Mr F Bell and Mrs P Hepburn

Summary of report

To notify the Audit Committee that two of the three Independent Members' (Mr F Bell and Mrs P Hepburn), terms of office is shortly due to expire, the options available for filling the vacancy and for Audit Committee to agree a preferred approach.

Background papers

Reports to Audit Committee 7 December 2010, 3 February 2011, and 12 April 2011. 12 June, 3 September 2012, 25 February 2013. Report to Council 24 September 2012 and 8 April 2013.

Recommendations

1. That Council be recommended to approve an extension to Mr F Bell's term of office commencing from the start of the 2016/17 Municipal Year, ending at the conclusion of the 2017/18 Municipal Year; **or**
2. That Mr F Bell's term of office not be extended. **and**
3. That, in either case and dependent on the above, a recruitment exercise be initiated to fill either one or two vacant positions for Independent Member to the Audit Committee.
4. That the Committee nominate 3 Members to constitute an Interview Panel with a view to interviewing and recommending a new appointment to the vacant position(s) of Independent Member to the Audit Committee.

Background

1. In February 2011, the Audit Committee resolved that one independent member should be appointed to the committee and that the term of office would be for a period of two years.
2. On the 3rd September 2012, the Audit Committee resolved to increase the number of independent members from 1 to 3. This was approved by Council on the 24th September 2012.
3. Following a recruitment exercise, Mr Fred Bell, the current serving Chair of the Audit Committee, and Ms Pamela Hepburn were appointed to the

independent member vacancies with their 2 year term of office commencing at the start of the 2014/15 municipal year and expiring at the end of the 2015/16 municipal year.

4. Independent members do not receive a member's allowance, although their travel and subsistence expenses will be paid on application. They are not affiliated to any political party.
5. Both Mr Bell and Mrs Hepburn have been asked if they would wish to extend their term of office on the Committee for a further two years. Mr Bell has indicated that he would wish to extend his term of office. Mrs Hepburn has indicated that she would not wish to extend her term of office.

Options

The following options are available to the Audit Committee in filling the pending vacancy of independent member:

1. The Audit Committee may chose to recommend to Council to approve an extension to Mr F Bell's term of office commencing from the start of the 2016/17 municipal year, ending at the conclusion of the 2017/18 municipal year; **Or**
2. That both Mr F Bell's and Mrs P Hepburn's terms of office not be extended.
3. That, in either case and dependent on the above, a recruitment exercise be initiated to fill either one or two vacant positions for Independent Member to the Audit Committee.

There is currently no statutory requirement or limitations in relation to the time for which an independent member may serve on an Audit Committee.

Resource and legal considerations

Independent members are entitled to claim travel subsistence in performing their duties on the Audit Committee. Independent Members are also required to sign up to the same Members' Code of Conduct that Elected Members are.

Performance and risk management issues:

Suitably qualified and experienced independent members serving on Audit Committees can bring specialist knowledge and insight to the workings and deliberations of the Committee which, when partnered with elected members' knowledge of working practices and procedures, enhances the performance of the Committee.

Equality Implications:

Any appointment process would encourage applicants from a diversity of backgrounds to apply.

Consultation:

Consultation has taken place with officers from Legal and Democratic Services.

Author:

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A handwritten signature in black ink, appearing to read 'JT Walsh', with a stylized flourish at the end.

16th December, 2015