

## COUNCIL GROUP COMPANIES – APPOINTMENT OF DIRECTORS

### Executive Summary

This report deals with the appointment of directors to a number of Council companies to provide strategic oversight of the Council companies. The proposed appointments have been allocated to members of the Corporate Leadership Team drawing on their individual strengths and expertise.

### Recommendations

The Council is requested to:

**RESOLVE That** officer directors be appointed to the Boards of the Council's companies as outlined in the body of the report.

The Council has the authority to determine the recommendation set out above.

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## **Council Group Companies – Appointment of Directors**

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### **1.0 Introduction**

- 1.1 Peter Bryant (as Director of Legal and Democratic Services) was a director of a number of Council companies. Mr Bryant retired from the Council's service on 30 June 2021 and resigned his directorships on that date. This report deals with the appointment of replacement directors to those companies.
- 1.2 In addition, it recommends replacement directors be appointed to companies that Ray Morgan and Douglas Spinks (as Chief Executive and Deputy Chief Executive respectively) were directors of until they retired on 31 March 2021. These appointments were not made at that time as other Officer directors, including Mr Bryant, remained on the Board of the companies concerned.

### **2.0 Appointment of Officer Directors**

- 2.1 Following Mr Bryant's retirement, there are vacancies for Officer directors on the Boards of the following companies:-

- Thameswey Limited
- Thameswey Developments Limited
- Thameswey Housing Limited
- Thameswey Energy Limited
- Thameswey Central Milton Keynes Limited
- Thameswey Guest Houses Limited
- Thameswey Solar Limited
- Thameswey Maintenance Services Limited
- Thameswey Sustainable Communities Limited
- Energy Centre for Sustainable Communities
- Woking Necropolis and Mausoleum Limited
- Brookwood Cemetery Limited
- Brookwood Park Limited
- Kingfield Community Sports Centre Limited
- LAC 2021 Limited
- Brunswick Road (Pirbright) Residents Company Limited

- 2.2 Following Mr Morgan's retirement, there are vacancies for Officer directors on the Boards of the following companies:-

- Victoria Square Residential Limited
- VSW Hotel Limited

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- Thameswey Limited
- Thameswey Maintenance Services Limited
- Woking Shopping Limited

2.3 Following Mr Spinks' retirement, there are vacancies for Officer directors on the Boards of the following companies:-

- Thameswey Solar Limited
- Thameswey Central Milton Keynes Limited
- Thameswey Sustainable Communities Limited
- Thameswey Energy Limited
- Thameswey Limited
- Woking Necropolis and Mausoleum Limited
- Brookwood Cemetery Limited
- Brookwood Park Limited
- Energy Centre for Sustainable Communities Limited

2.4 Leigh Clarke, Director of Finance, has resigned her position as director of Kingfield Community Sports Centre Limited. This vacancy will also need to be filled and Leigh Clarke will not take up any director roles on behalf of the Council at this time.

### 3.0 Thameswey Group Protocols

3.1 The Thameswey Group Protocols have been introduced to ensure good governance of the Thameswey Group Companies. The protocols stipulate the proportions and composition of the Boards. A copy of the protocols can be found in the Council's constitution.

3.2 The Thameswey Group Protocols states:-

*“To ensure that power and information are not concentrated in one or two individuals, there should be a strong presence on all boards of Independent, Councillor and officer Directors. Accordingly Group Company Boards should seek to achieve the following proportions, 1 Independent Director, 1 Councillor Director and 2 Officer Directors but in any case Officer Directors must not be the majority.”*

3.3 The Thameswey Group Protocols confirm the composition of the Boards as follows:-

#### *“Composition of the Boards*

*The respective Company boards should comprise of the following Directors and be reviewed annually by the Council: -*

#### *Thameswey Limited (Group Holding Company)*

##### *Councillor Directors*

*The Leader of the Council, or his/her nominee, who must be a Member of the Council's Executive*

*Council Directors appointed to the Board of any subsidiary*

##### *Independent Directors*

*Independent Directors recruited by the Council*

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### *Officer Directors*

#### *The Chief Executive of the Council*

*Officer Directors appointed to the Board of any subsidiary*

#### *Subsidiary Companies within the Thamesway Group*

#### *Councillor Directors*

*The Leader of the Council, or his/her nominee, who must be a Member of the Council's Executive*

*The Member of the Council holding the Portfolio for the relevant area of the Council's business*

*Any other Member of the Council*

#### *Independent Directors*

*Up to two Independent Directors*

#### *Officer Directors*

*Up to two Officer Directors"*

3.4 The proposed appointments to the Thamesway Group Companies accord with the protocol.

### **4.0 Statutory Officers**

- 4.1 The Council appoints three statutory officers, the Head of Paid Service (Julie Fisher), the s151 Officer (Leigh Clarke) and the Monitoring Officer (Joanne McIntosh). Statutory Officers fulfil an important role for the Council and it is considered that they will perform a similar role, drawing on their expertise and knowledge, for the companies to which they are appointed. Careful consideration has been given to the appointment of Statutory Officers to Council owned companies and it has been kept to a minimum. This accords with Dr Gifty Edila's recommendations and the Council's response as outlined in the report to Council tonight at Agenda Item number 9. The proposed directorships have been divided between the Corporate Leadership Team drawing on their individual strengths and specialisms.
- 4.2 It is proposed that the Head of Paid Service be appointed to three companies namely Thamesway Limited, Victoria Square Residential Limited and VSW Hotel Limited. Given the nature of these companies and the importance of them to the Council it is considered that it is appropriate for the Chief Executive to be appointed as a director. These appointment are in the best interests of both the Council and the companies. They shall ensure oversight of the companies at the highest level. The appointment of the Chief Executive as a director of Thamesway Limited ensure compliance with the Thamesway Group Companies Protocol.
- 4.3 It is proposed to appoint the Monitoring Officer to Thamesway Limited, Thamesway Developments Limited, Thamesway Housing Limited and Thamesway Guest Houses Limited. It should be noted that the number of appointments of the Monitoring Officer as director has significantly reduced. The appointments have been limited to the main Thamesway Companies including Thamesway Limited, Thamesway Developments Limited and Thamesway Housing Limited. Given the nature of the business of Thamesway Guest Houses Limited, the composition of the board usually mirror that of Thamesway Housing Limited. These appointment are in the best interests of both the Council and the companies. Notably appointment of a statutory officer as a director assists with satisfying what is known as the Teckal exemption which allows the Council to enter into contracts with its subsidiary companies without having to go through a procurement process. It also ensures that the Council's Monitoring Officer has oversight of the Council's companies.

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- 4.4 It is not proposed that the s151 Officer should be appointed as a company director at this time.
- 4.5 Council should note that none of the Statutory Officers have personal interests in respect of the companies in which they are proposed to be appointed as a director.

### **5.0 Appointment of Directors**

- 5.1 Council is requested to resolve that the following officers of the council are appointed to the companies as listed below.

Julie Fisher, Chief Executive, to be appointed a director of the following companies:-

- Thameswey Limited
- Victoria Square Residential Limited
- VSW Hotel Limited

- 5.2 Joanne McIntosh, Director of Legal and Democratic Services, to be appointed a director of the following companies:-

- Thameswey Limited
- Thameswey Developments Limited
- Thameswey Housing Limited
- Thameswey Guest Houses Limited

- 5.3 Giorgio Framalico, Director of Planning, to be appointed a director of the following companies:-

- Thameswey Limited
- Thameswey Energy Limited
- Thameswey Central Milton Keynes Limited
- Thameswey Solar Limited
- Thameswey Maintenance Services Limited
- Thameswey Sustainable Communities Limited
- Energy Centre for Sustainable Communities Limited
- Woking Necropolis and Mausoleum Limited
- Brookwood Cemetery Limited
- Brookwood Park Limited
- Kingfield Community Sports Centre Limited
- Brunswick Road (Pirbright) Residents Company Limited

- 5.4 Geoff McManus, Director of Neighbourhood Services to be appointed a director of the following companies:-

- Thameswey Limited
- Thameswey Energy Limited
- Thameswey Central Milton Keynes Limited
- Thameswey Solar Limited

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- Thamesway Maintenance Services Limited
- Thamesway Sustainable Communities Limited
- Energy Centre for Sustainable Communities Limited
- Woking Necropolis and Mausoleum Limited
- Brookwood Cemetery Limited
- Brookwood Park Limited
- Kingfield Community Sports Centre Limited

5.5 A full list of directorships, current and proposed, can be found at Appendix 1 and Appendix 2. The tables outline the resignations, appointments and composition of the companies. Should the appointments be agreed this evening, then the Officer's shall be formally appointed at the next Board meeting of the requisite company and the appointment registered at Companies House. For the avoidance of any doubt, officer's appointed to Council companies do not receive any separate remuneration.

### 6.0 Corporate Strategy

6.1 The Council's group companies undertake important functions for the Council, consistent with its Corporate Plan.

### 7.0 Implications

#### Finance and Risk

7.1 None.

#### Equalities and Human Resources

7.2 None.

#### Legal

7.3 The Officer appointments accord with the Thamesway Group Company Protocols and ensure that there is sufficient expertise and oversight on the Boards of the various Council companies. The appointment of a statutory officer as a director assists with satisfying the Teckal exemption which allows the Council to enter into contracts with its subsidiary companies without having to go through a procurement process.

### 8.0 Engagement and Consultation

8.1 None.

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