

SOUTH HOLLAND DISTRICT COUNCIL

Report of: Executive Manager Governance

To: Leader of the Council
(The Lord Porter of Spalding)

(Author: Mark Stinson – Executive Manager Governance)

Subject: Director Appointment – Compass Point Business Services (East Coast) Ltd

Purpose: To consider a proposed change to an officer director appointment

Recommendations:

- 1) That the current officer director appointed to Compass Point Business Services (East Coast) Ltd (Anna Graves – Chief Executive) be replaced by Rob Leigh (Executive Manager – People & Information) from a date to be determined by the Chief Executive and that notice in writing be given to the Company; and
- 2) That the Executive Manager – Governance seeks an amendment to Article 11 of the Constitution to make it clear that an officer director of Compass Point Business Services (East Coast) Ltd may be a Chief Officer or a Deputy Chief Officer.

1.0 BACKGROUND

- 1.1 Compass Point Business Services (East Coast) Ltd (“CPBS”) is a private company limited by shares and is jointly owned by South Holland District Council and East Lindsey District Council. There are six directors – three appointed by each of the councils. Article 11 of the Constitution states that the Board consists of [various appointees] and ‘a Chief Officer of South Holland District Council’.
- 1.2 As a result of impending staffing changes, there is a need to make changes to the current officer director appointments, including the appointment to CPBS. It is proposed that Rob Leigh, Executive Manager – People & Information, be appointed to the Board of Compass Point Business Services (East Coast) Ltd (the appointment to be by name rather than office) in place of Anna Graves, Chief Executive. This proposed change has already been discussed at Board level.
- 1.3 On a strict wording of Article 11 of the Council’s constitution, the reference to the Board ‘consisting ofand a Chief Officer of South Holland District Council’ is a statement of the current position and, arguably, is not a restriction on future officer appointments. This is important because Rob Leigh is a Deputy Chief Officer rather than a Chief Officer. In order to bring certainty, however, it is proposed that Article 11 be amended to refer to Chief Officers and Deputy Chief Officers.

2.0 OPTIONS

- 2.1 Do nothing – this is not recommended as it does not allow sufficient flexibility to select the most appropriate officer director.
- 2.2 Appoint a different officer director.

3.0 REASONS FOR RECOMMENDATIONS

3.1 To ensure that there is a smooth transition of officer directors on the Council's companies and to ensure that officers of an appropriate level with appropriate skills and experience are appointed to the Council's companies.

4.0 EXPECTED BENEFITS

4.1 Good governance of the Council's companies.

5.0 IMPLICATIONS

5.1 Constitution & Legal

5.1.1 Qualification for directorship is set out in law and in the articles of the relevant companies. As identified earlier in this report, in order to bring clarity as to the constitutional position in respect of appointments to CPBS an amendment to Article 11 of the Constitution is recommended.

5.1.2 In law, appointments to outside bodies (including the Council's companies) can be made either by the Council or by the Leader/Cabinet. Under the Council's revised constitution, it is clear that appointments to a company exercising executive functions is a Leader/Cabinet decision and appointments to a company exercising non-executive functions is a Council decision. As CPBS is exercising executive functions, this appointment is an executive function.

5.2 Contracts

5.2.1 These are non-executive directorships, so no contractual implications arise.

5.3 Stakeholders / Consultation / Timescales

5.3.1 The CPBS Board has already been briefed.

6.0 WARDS/COMMUNITIES AFFECTED

6.1 None

7.0 ACRONYMS

7.1 CPBS – Compass Point Business Services (East Coast) Ltd

Background papers:- None

Lead Contact Officer

Name and Post: Mark Stinson, Executive Manager Governance
Telephone Number: 01775 764612
Email: mark.stinson@breckland-sholland.gov.uk

Key Decision: No

Exempt Decision: No

This report refers to a Discretionary Service

Appendices attached to this report: None