

**TO: EXECUTIVE MEMBER COUNCIL STRATEGY AND COMMUNITY COHESION  
MAY 2018**

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**NOMINATION OF DIRECTORS TO BOARD OF DOWNSHIRE HOMES  
Director of Adult Social Care, Health and Housing**

**1 PURPOSE OF REPORT**

- 1.1 To consider the appointment of two directors to the board of Downshire Homes Ltd. (DHLtd).

**2 RECOMMENDATIONS**

- 2.1 **To note the resignation of Chief Officer: Commissioning and Resources, Neil Haddock from the board of Downshire Homes Ltd.**
- 2.2 **To nominate Simon Hendey Assistant Director of early help and communities and Julian McGowan Finance business partner to the board of Downshire Homes Ltd.**

**3 REASONS FOR RECOMMENDATIONS**

- 3.1 Neil Haddock had been nominated to the board of Downshire Homes Ltd by the Council. Neil has recently left the employ of Bracknell Forest Council and has resigned from the board. It is necessary to appoint a replacement. As Downshire Homes is a wholly Council owned company and requires financial advice at a board level it is recommended that the Finance business partner Julian McGowan who is a qualified CIPFA accountant, is nominated as a Director of Downshire Homes to fulfil that role. In addition it is recommended that Simon Hendey is appointed to the board so as to act as a Director responsible for operations. As DHLtd expands there is a need for a dedicated director to be responsible for the operational matters and managing the contracts the company has.

**4 ALTERNATIVE OPTIONS CONSIDERED**

- 4.1 The Council could decide not to make nominations onto the DHLtd board. This would leave the DHLtd board without financial expertise at board level as well as lack of capacity to deal with operational issues. As such this course of action is not recommended.

## **5 SUPPORTING INFORMATION**

5.1 The Articles of Association of Downshire Homes allows at para 20:

### **20 Appointment and removal of directors**

20.1 Unless otherwise determined by ordinary resolution, the number of directors is not subject to any maximum and the minimum number is one.

20.2 The Chief Executive of the Council from time to time will be appointed as a director without any formality and shall cease to be a director when the cease to be employed as the Chief Executive of the Council.

20.3 Notwithstanding any other provision of these articles, the holder or holders of a majority in nominal value of the issued ordinary shares in the capital of the company may at any time and from time to time:

20.3.1 Appoint any person to be a director (provided that any such appointment does not cause the number of directors to exceed a number fixed by or in accordance with these articles as the maximum number of directors); or

20.3.2 Remove any director from office.

5.2 The decision to appoint a Director to the board of Downshire Homes is an Executive decision that can be made by the Leader of the Council.

5.3 Downshire Homes is a company wholly owned by the Council. Therefore, it is in the Council's interests to ensure that a nominated Board Director is able to provide financial advice to the board whilst still being able to understand the Council's position. Therefore, it is recommended that the Finance business partner Julian McGowan is nominated to the DHLtd board. Julian has confirmed he would accept if the nomination is agreed. Simon Hendey will provide the operational capacity to the Board which is increasingly required as the business expands its portfolio.

## **6 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS**

### Borough Solicitor

6.1 No legal implications arise from the resignation of Mr. Haddock or from the appointment of Mr McGowan as a director in his place.

### Borough Treasurer

6.2 There are no direct financial implications within this report for the Council.

### Equalities Impact Assessment

6.3 There are no equalities implications generated from the recommendations contained in this report.

### Strategic Risk Management Issues

6.4 Downshire Homes is a company wholly owned by the Council. Therefore, the Council should assure itself that the Directors of the company have the requisite knowledge

and qualifications to provide directions and management of the company. The recommendation in this report is to replace the Director position providing financial advice to the board with a person who is a qualified accountant.

## **7 CONSULTATION**

7.1 Not applicable

### Background Papers

Downshire Homes memorandum of articles.

### Contact for further information

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Signed .....

Date .....