

## **SLOUGH BOROUGH COUNCIL**

**REPORT TO:** Council  
**DATE:** 8th March 2021  
**CONTACT OFFICER:** Josie Wragg, Chief Executive  
**WARD(S):** All

### **PART I** **FOR DECISION**

#### **APPOINTMENT OF NON-EXECUTIVE DIRECTORS TO BOARD OF SLOUGH CHILDREN FIRST LIMITED**

##### **1. Purpose of Report**

The Council, Department for Education (DfE) and Slough Children's Services Trust (the Company) having been working together to identify a future delivery model for children's services within Slough.

Cabinet is to receive a report on the new model on 22 March 2021 and will be making a decision around the governance structure and commissioning arrangements for delivering statutory children's social care functions.

The preferred option supported by Council officers, the DfE and the Trust is for the existing Trust to become a wholly owned local authority company. If a decision is made to change the Trust's articles with this effect, the Council will have the right to appoint up to 3 non-executive directors to the company board.

##### **2. Recommendation(s)/Proposed Action**

Council is requested to resolve that:

- a) The Chief Executive has delegated authority to appoint up to 3 council officers or elected members to the Slough Children First Limited's board, following any change in its articles of association to make it a LA controlled company.
- b) A report be presented to the annual Council meeting confirming the appointments and requesting that Council confirm the same.

##### **3. The Slough Joint Wellbeing Strategy, the JSNA and the Five Year Plan**

###### **3a. Slough Wellbeing Strategy Priorities**

The purpose of the new delivery model is to ensure that the Council has effective oversight and strategic control over delivery of children's services in the future. By being able to appoint directors to the board of the company, the Council can ensure that those individuals bring expertise and local knowledge and that the company's vision and strategy is aligned with the Council's, including in terms of its Slough Wellbeing Strategy.

3b. **Five Year Plan Outcomes**

Outcome 1 of the Five Year Plan relates to Slough’s children growing up to be happy, healthy and successful. By appointing officers and elected members to the board of directors, the Council can maximise opportunities for the Company to work with the Council and other statutory partners to meet the outcomes set out in the Five Year Plan.

4. **Other Implications**

(a) Financial

There are no financial implications of the proposed action. Council non-executive directors will not be separately remunerated, except in relation to recovery of expenses, which will be payable by the Company. Any officers appointed will fulfil their role as director within their normal working hours.

(b) Risk Management

Recommendation from section 2 above	Risks/Threats/ Opportunities	Current Controls	Using the Risk Management Matrix Score the risk	Future Controls
That the Chief Executive have delegated authority to appoint up to 3 council officers or elected members to the Slough Children First Limited’s board, following any change in its articles of association to make it a LA controlled company.	That any directors appointed are not best suited to perform the functions required.	A list of skills needed for the board is being considered, to ensure that non-executive directors can provide the appropriate scrutiny and challenge to management.		Detailed terms and conditions will be prepared setting out the requirements of the role, including details of an induction and training programme.

(c) Human Rights Act and Other Legal Implications

There are no Human Rights implications.

By changing a company’s articles of association, the ownership and governance arrangements for the company can be amended, even though the company remains the same legal entity.

The Council can appoint a specified number of non-executive directors to the board of the company, subject to compliance with any restrictions in the Articles. To meet good governance requirements, it is expected that company boards have

a mix of executive and non-executive directors with the right mix of skills and experience to meet their statutory and common law duties and appropriately hold the management team to account.

Under s.117 Local Government Act 1972, a council officer is prevented from being paid any fee or reward under the “colour of his office or employment”, other than his proper remuneration. As any council officer appointed as a director would be expected to fulfil the role of director within his or her normal working hours, the individual will not be paid remuneration over and above their normal council salary and any permitted expenses.

Under s.80 of the Local Government Act 1972, a person is disqualified from being an elected member if that person holds any “paid office or employment, appointments to which are or may be made or confirmed by the local authority.” The Local Authorities (Companies) Order 1995 also contains limits on the pay and expenses paid to elected members, to ensure they are not paid more than the amount payable to a councillor for a comparable duty and that they are not paid twice for undertaking the same duty. It is likely that any elected member appointed to the company board will be a member of the executive and therefore the allowance payable already covers duties associated with monitoring and managing service delivery at a strategic level.

Appointments of individuals to outside bodies, including LA controlled companies is reserved to full council. The timing of council meetings and the local government elections means that if cabinet agree the future model of delivery on 22 March 2021 and this takes effect from 1 April 2021, there will be insufficient time to take a report to full council to seek approval for these appointments. It is therefore proposed, for urgency reasons, that the decision is delegated to the Chief Executive. The appointment of individuals to outside bodies is normally considered by full council at the annual council meeting in May/June. It is therefore proposed that the individuals appointed to the Company are included in this report and the decision confirmed at that date.

### **Equalities Impact Assessment**

The Cabinet report will have details of the equality impact assessment for the future delivery model for children’s services. The terms and conditions of appointment for any director will set out the requirements of the role, including the need to comply with equality legislation and be aware of the equality and diversity issues affecting the delivery of children’s social care services.

#### **5. Supporting Information**

Further information on the delivery model for children’s services is set out in the Cabinet report for cabinet on 22 March 2021.

#### **6. Comments of Other Committees**

Cabinet will consider the future delivery of children’s services on 22 March 2021. Any decision to appoint council non-executive directors to the board is subject to a decision by Cabinet to approve changes to the Company’s articles of association to change it to a company controlled by the Council.

7. **Conclusion**

The proposed appointments will enable the Council to have representatives on the board who have a knowledge and understanding of issues affect Slough and will ensure that opportunities for the Company and the Council to work together and align their strategic vision are maximised.

8. **Background Papers**

None.