

## READING BOROUGH COUNCIL

### REPORT BY DEPUTY CHIEF EXECUTIVE

<b>TO:</b>	<b>POLICY COMMITTEE (ACTING AS SOLE MEMBER FOR BRIGHTER FUTURES FOR CHILDREN)</b>		
<b>DATE:</b>	<b>7 MARCH 2022</b>		
<b>TITLE:</b>	<b>BRIGHTER FUTURES FOR CHILDREN LIMITED - RESERVED MATTERS</b>		
<b>LEAD COUNCILLORS:</b>	<b>Cllr Jason Brock Cllr Liz Terry Cllr Ashley Pearce</b>	<b>PORTFOLIOS:</b>	<b>Corporate Governance Children's Services Education</b>
<b>SERVICE:</b>	<b>N/A</b>	<b>WARDS:</b>	<b>BOROUGHWIDE</b>
<b>LEAD OFFICER:</b>	<b>Kate Graefe</b>	<b>TEL:</b>	<b>0118 937 4132</b>
<b>JOB TITLE:</b>	<b>Assistant Director of Procurement and Contracts</b>	<b>E-MAIL:</b>	<b>kate.graefe@reading.gov.uk</b>

#### 1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 To report to the Policy Committee in its capacity as the sole member of Brighter Futures for Children Ltd (BFfC) the outcome of the selection process for a new Executive Director of Finance and Resources for BFfC and as sole member to seek the Committee's agreement to the proposed appointment.

#### 2. RECOMMENDED ACTION

- 2.1 That Policy Committee in its capacity as sole member for BFfC agree the recommended appointment of Kit Lam as a new Executive Director of Finance and Resources for BFfC.

#### 3. BACKGROUND

- 3.1 In October 2018 the Council approved the formation of a separate Company for the delivery of Children's Services in Reading; Brighter Futures for Children Limited (BFfC). The Company subsequently began delivery of services in December 2018.
- 3.2 BFfC is a company limited by guarantee without share capital and its sole member is Reading Borough Council. The Company's Articles of Association set out its obligations in terms of reporting to the Council as Sole Member as well as the matters which are reserved to the Sole Member. The employment of a new Executive Director is listed as a reserved matter in the Articles, hence this report requesting the Committee's consideration and agreement as sole member.
- 3.3 Following the departure of the Company Managing Director in September 2020, the Company has taken the opportunity to review their Executive Board structure and determined not to replace the role. Instead the Chair role has been amended to that of Executive Chair, an arrangement still in operation, originally approved by Policy Committee (in its role as sole member) in September 2020 and further endorsed as

part of the Annual Business Plan report approved by Policy Committee (also in its role as sole member) on 8 March 2021.

- 3.4 This means that the Board is now comprised of the following Directors:
- Executive Director of Children's Services (EDCS) (an Executive Director)
  - The Chair (a non-executive Director)
  - The Council nominated Director (a non-executive Director)
  - Four other independent non-executive Directors
- 3.5 The minimum requirements for the Board are specified in the Company's Articles of Association (Article 9.2) as follows:
- The Chair
  - At least one Executive Director in addition to the DCS
  - At least one non-executive Director
  - The Council nominated Director
- 3.6 These minimum requirements were built into the Articles to ensure a balanced Board and are still seen as appropriate. Article 9.3(b) specifies that whilst there are fewer Directors than specified by Article 9.2 then the only business that the BFfC Board can transact is the appointment or replacement of Directors. In order to fulfil these minimum requirements and allow the Board to continue normal business, Policy Committee in its role as sole member agreed that the Council's s151 Officer and Finance Director, Mr Carter, be seconded to BFfC for 20% of his time, to act as interim Exec Director for Finance.
- 3.7 The appointment and commencement of employment of a new permanent Executive Director of Finance and Resources for BFfC will:
- a) allow the current secondment of Mr Carter as interim Executive Director of Finance for BFfC to end; and
  - b) allow the BFfC Board to operate in the manner determined by the Articles with all Board members being independent from RBC and permanently employed.

#### **4. PROPOSALS**

- 4.1 The new Executive Director recruitment has focused on employing someone with significant finance experience and is a qualified accountant. BFfC engaged with Penna recruitment consultants to assist with the recruitment for the role. The vacancy was advertised in various media including the Municipal Journal and the Guardian Jobs online platform. As a result, 22 applications were received. Of these, 4 were longlisted and were subject to a thorough technical interview by Ian O'Donnell - a highly experienced finance director and Az Ahmed - recruitment consultant from Penna. Following this a final shortlist was drawn up. The final candidates were interviewed by the BFfC Board, the Deputy Chief Executive from RBC and Cllr Terry. Candidates also met with Senior Leadership Colleagues, the BFfC Board and the S151 Officer from RBC as part of the assessment.
- 4.2 Following this, the BFfC Board have recommended to this Committee that Kit Lam be appointed as the Executive Director for Finance and Resources. Kit is currently the Chief Operating Officer (including Chief Finance Officer) at Aldridge Education which is a multi-Academy Trust. She is a qualified Chartered Accountant (FCCA). BFfC are currently agreeing a start date (subject to approval by this Committee).

#### **5. CONTRIBUTION TO STRATEGIC AIMS**

- 5.1 In Spring 2021 the Council refreshed its Corporate Plan, incorporating a number of major change projects under 3 themes:
1. healthy environment

2. thriving communities
3. inclusive growth

- 5.2 This proposal aligns with the delivery of the BFfC Business Plan, which forms part of the Thriving Communities theme.

## **6. ENVIRONMENTAL AND CLIMATE IMPLICATIONS**

- 6.1 The Council declared a Climate Emergency at its meeting on 26 February 2019 (Minute 48 refers).
- 6.2 There are no environmental or climate change implications arising from this report.

## **7. COMMUNITY ENGAGEMENT AND INFORMATION**

- 7.1 Not applicable

## **8. EQUALITY IMPACT ASSESSMENT**

- 8.1 Under the Equality Act 2010, Section 149, a public authority must, in the exercise of its functions, have due regard to the need to—
- eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
  - advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
  - foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 8.2 An Equality Impact Assessment is not relevant to the requested decisions.

## **9. LEGAL IMPLICATIONS**

- 9.1 As stated within the report, the appointment of an Executive Director is a Reserved Matter within the Company Articles, hence seeking the required agreement prior to formal appointment.

## **10. FINANCIAL IMPLICATIONS**

- 10.1 The recruitment and remuneration costs will be met from within the contract sum agreed to be paid to BFfC, as already provisioned in the Council MTFP and BFfC Business Plan.

## **11. BACKGROUND PAPERS**

- 11.1 There are none.