

Policy Committee

22 January 2024



Reading
Borough Council
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Title	Brighter Futures for Children Ltd – Appointment of Director
Purpose of the report	To make a decision
Report status	Public report
Report author	Mike Graham, Asst Director for Legal and Democratic Services
Lead Councillor	Cllr Jason Brock, Leader of the Council
Corporate priority	Not applicable, but still requires a decision
Recommendations	<ol style="list-style-type: none">1. That Seona Douglas be appointed as the Council Nominated Director for Brighter Futures for Children Limited from 1 January 2024 to 1 January 2025.2. That the Chief Executive is delegated to finalise the terms and conditions of appointment.3. That the Council waives the requirement in the Articles of Association that the Council Nominated Director be an officer of the Council.4. That the retirement of Calvin Pike as Director is noted.

1. Executive Summary

- 1.1. This report to the Policy Committee is in its capacity as the sole member of Brighter Futures for Children Ltd (BFfC).
- 1.2. This report asks Policy Committee to make a decision as the sole member of BFfC regarding an appointment to the Board of Directors.
- 1.3. In February 2023, the Council appointed Mike Graham, Assistant Director of Legal and Democratic Services as the Council Nominated Director. It was recognised at the time that this was a temporary arrangement and was expected to last until the Council appointed a new Executive Director of Adult Health and Care Services (expected to be summer 2023).
- 1.4. Since that time, the Council has restructured the Directorate of Adult Health and Care Services and it has created the Directorate of Communities and Adult Social Care.
- 1.5. The expanded role of the new Executive Director, and the time commitments for these new responsibilities, mean that it is inappropriate to appoint the post holder to the Board of BFfC at this time.
- 1.6. The Council has therefore approached Seona Douglas the former Executive Director of Adult Health and Care Services, now retired, to resume her role as the Council Nominated Director. Seona Douglas has indicated her willingness to serve again in this capacity. Seona is a qualified social worker and has experience of Children's Services in her career. Seona is very familiar with the Company as she served as the Council Nominated Director from 2018-2022. The Board has been consulted on this proposal to appoint Seona and is in agreement with it.

2. Policy Context

- 2.1. The Council's policy is to ensure that Children's Service's achieve an OFSTED status of at least "Good" by 2024. This was the stated aim of the Service Contract when Brighter Futures for Children Ltd was established in 2018 and Children's Services were in intervention. Since then, Brighter Futures for Children Ltd have moved from "Inadequate" to "Requires Improvement to be Good" (October 2019). Intervention in Children's Services ended in February 2021. The Company has also seen a number of other successes (but it is not the place of this report to go into detail on those). A full reinspection of Children's Services by OFSTED is overdue and until that inspection takes place, there will be no change in the grading of the Service.
- 2.2. Good governance through an effective Board is a key contributor to this objective and to deliver the vision and mission of the Company.
- 2.3. The Articles of Association have always envisaged that a Council Nominated Director would be a part of the BFfC Board and a key part of the governance arrangements for the Company.

3. The Proposal

- 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. Its sole member is Reading Borough Council, and the Council has several rights under the Articles of Association (the Company constitution).
- 3.3. The minimum requirements for the Board in Article 9.2 are specified as follows:
 - The Chair
 - At least one Executive Director in addition to the Executive Director of Children's Services
 - At least one Independent Non-Executive Director
 - The Council Nominated Director
- 3.4. The composition of the Board is currently as follows:

Role	Name	Appointed
Chair	Di Smith	1 Apr 2020
EDCS	Lara Patel	1 Feb 2023
EDF&R	Kit Lam	5 Jun 2022
NED	Nicola Gilham	15 Nov 2018
NED	Paul Snell	15 Nov 2018
NED	Tony Byrne	15 Nov 2018
NED	Calvin Pike	1 Nov 2021
Council	Mike Graham	22 Feb 2023

- 3.5. The Board has agreed that, as a cost saving measure, Calvin Pike will retire from the Board on 25 January 2024.

Appointment of Directors

- 3.6. There are two methods in the Articles for the appointment (which can be taken to also include re-appointment) and removal of Directors.
- 3.7. First, the Chair, Managing Director and Council Nominated Director are appointed by "the Members by Ordinary Resolution". As there is only one member, effectively this is a decision of Policy Committee acting in its capacity as sole member. These

appointments are then notified to the Company in writing. The Company will be consulted on these decisions in advance and the Council is expected to act reasonably and consider any representations of the Board.

3.8. Secondly, Additional Executive Directors and Independent Non-Executive Directors are appointed by the Board. However, these are Reserved Matters and the Board must seek approval for these decisions from the Members in writing.

3.9. As regards the Council Nominated Director, the Articles envisage an officer of the Council will be appointed to this role.

3.10. The definition of the Council Nominated Director within the Articles says as follows:

“means as appointed by the Member pursuant to Article 10.1, a non-executive director nominated by the Chief Executive of the Council who shall be an officer of the Council (other than the chief executive of the Council)”

3.11. When Seona Douglas was the Executive Director for DAHCS from 2018 to 2022, she fulfilled the conditions of the Articles as she was an officer of the Council. However, if she is to be appointed again, having retired from the Council, then the Council as sole member of the Company will need to agree to waive this provision in the Articles. This is the proposed course of action.

3.12. Options Proposed

3.13. In its capacity as the sole member of the Company, Policy Committee is asked to approve these arrangements:

- For Seona Douglas to be re-appointed as Council Nominated Director for a one-year term from 1 January 2024 until 1 January 2025
- For the Council as sole member of BFfC to waive the requirement in the Articles for the Council Nominated Director to be an officer of the Council

3.14. No further options have been explored at this time.

4. Contribution to Strategic Aims

4.1. The Council's new Corporate Plan has established three themes for the years 2022/25. These themes are:

- Healthy Environment
- Thriving Communities
- Inclusive Economy

4.2. These themes are underpinned by “Our Foundations” explaining the ways we work at the Council:

- People first
- Digital transformation
- Building self-reliance
- Getting the best value
- Collaborating with others

4.3. Full details of the Council's Corporate Plan and the projects which will deliver these priorities are published on the [Council's website](#). These priorities and the Corporate Plan demonstrate how the Council meets its legal obligation to be efficient, effective and economical.

4.4. The delivery of improved services to Children in Reading is covered by the Brighter Futures to Children Business Plan which was last approved by Policy Committee on 7 March 2022. The plan is published on the [Brighter Futures for Children website](#). The Company's vision is – to protect and enhance the lives of the children of Reading and

help families find long-term solutions to ensure children lead happy, healthy and successful lives.

- 4.5. Ensuring stability of the Board and sound governance for the Company is key to delivery of that vision.

5. Environmental and Climate Implications

- 5.1. The Council declared a Climate Emergency at its meeting on 26 February 2019 (Minute 48 refers).
- 5.2. There is nothing within this report which is relevant to the Council's climate change policies.

6. Community Engagement

- 6.1. There is no consultation or community engagement required on this proposal, nor has any been carried out voluntarily to help the report author consider the views of external parties in preparing this report.

7. Equality Implications

- 7.1. 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.
- 7.2. An Equality Impact Assessment (EIA) is not relevant to the decision. An EIA has not been carried out.

8. Other Relevant Considerations

- 8.1. There are none.

9. Legal Implications

- 9.1. The appointment of Directors is a matter for the Articles of Association. All the relevant points have been addressed in the body of the report.

10. Financial Implications

- 10.1. The Council will be paying the day rate for the Council Nominated Director.

11. Timetable for Implementation

- 11.1. If councillors are minded to support these recommendations then they will be implemented at the BFfC Board on 25 January 2024.

12. Background Papers

- 12.1. There are none.