

Minutes of a meeting of the SHAREHOLDER MEETING on Thursday 2 August 2018

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Committee members:

Councillor Brown

Councillor Chapman

Councillor Hayes

Councillor Hollingsworth

Officers:

Tim Sadler, Chair of the Board of Directors

Simon Howick, Managing Director, Trading Companies

Aled Bath, Finance Director

Lindsay Cane, Legal Services Manager / Company Secretary

Nigel Kennedy, Head of Financial Services

Emma Griffiths, Lawyer

Claire Price, Executive Assistant to the MD, Oxford Direct Services

John Mitchell, Committee and Member Services Officer/Clerk to the Board of Directors

5. Apologies for absence

Apologies for absence were received from Councillors Clarkson, Rowley, Simm, Smith, Turner and Upton

6. Scrutiny recommendations

The Scrutiny Officer spoke briefly to the minutes of the Companies Scrutiny Panel. The Panel had noted the proposals to appoint Aled Bath as a Director to the companies and Mazars as the companies' external auditor. It was pleased to note the companies' positive health and safety culture. Members of the Panel would be meeting ODS colleagues at the Cowley Marsh site to learn more about their recycling work and would subsequently visit a recycling centre.

He drew attention to the Panel's two recommendations to the Shareholder (see below).

Shareholder members were grateful for the thorough work of the Panel but observed that it raised questions about its role in relation to the Shareholder. There was limited value in the Shareholder simply re-visiting what the Panel had done. It was agreed that the Companies Panel should focus on past and current performance, while the Shareholder should focus on the future and matters of strategy – whilst having an eye on past and current performance.

As the new companies and the associated governance arrangements settled down further thought needed to be given to the timing of Companies Scrutiny Panel and Shareholder meetings in order that both bodies can operate effectively. The Chair of the Company agreed to consider further, this consideration to include ensuring that meeting dates fit well with availability of quarterly monitoring data.

The Shareholder resolved to agree the Panel's recommendations that:

- a) Councillor Community Infrastructure Levy projects, where appropriate, should use ODS as the preferred contractor to carry out the work. This should not however affect the Council's duty to secure best value from its contracts; and
- b) The Shareholder Group receives a more comprehensive scorecard of financial indicators as part of subsequent quarterly reports. This should include longer term projections for revenue and capital expenditure, including service level breakdowns with overhead costs, and progress updates on major contracts and projects.

It was noted that, in relation to 1 a), this should be no more than a codification (which could be achieved by a CEB decision) of what was already believed to be the practice.

The Chair of the Shareholder Group recorded her thanks to the Panel for its thorough work and helpful advice.

7. Declarations of interest

None.

8. Matters Exempt from Publication

The Shareholder resolved that, in accordance with the provisions of Regulation 4 (2) (b) of the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2012, the press and public be excluded from the meeting for the two following items of business on the grounds that their presence could involve the likely disclosure of exempt information as described in specific paragraphs of Schedule 12A of the Local Government Act 1972.

9. Oxford Direct Services - Quarter One - Update Report

In confidential session

10. Presentation to the Board by Simon Howick and Aled Bath

In confidential session

11. Appointment of Aled Bath, Finance Director, to the Boards of ODSL and ODSTL

The Finance Director left the room for discussion of this item.

The Chair of the Board of Directors explained that Aled Bath had been appointed as Finance Director to the company following an extensive process involving Cllr Rowley as a representative of the Shareholder.

There would be clear advantages for Aled Bath to be appointed, also, as a Director to the Board. Such appointments are reserved to the Shareholder.

The Chair of the Board noted that it was intended to expand the Board still further with the appointment of a non-executive director. This was something being looked at in parallel with the appointment of non-executive directors to the Council's other companies.

The Chair of the Shareholder Group said that steps should be taken to address the lack of diversity on the Board. The Chair of the Board confirmed this was being taken into account.

The Shareholder resolved to:

Confirm the appointment of Aled Bath to the Boards of Oxford Direct Services Limited and Oxford Direct Services Trading Limited.

12. Appointment of Mazars as External Auditor to Oxford Direct Services

The Finance Director returned to the room

The Chair of the Board of Director explained that the appointment of an external auditor to the companies was a matter reserved to the Shareholder.

Mazars were being recommended for appointment following an extensive process. Mazars had also been appointed as auditors to the housing company.

It was suggested that when auditors need to be reappointed there would be merit in doing so at one Shareholder meeting on behalf of all Council companies

The Shareholder resolved to:

Confirm the appointment Mazars as External Auditors to Oxford Direct Services Limited and Oxford Direct Services Trading Limited.

The meeting started at 5.00 pm and ended at 6.50 pm

Chair:

Date: 1 November 2018