

To: Shareholder and Joint Venture Group
Date: 14 April 2021
Report of: Head of Law & Governance
Title of Report: Update on appointments – Oxford Direct Services Limited (ODSL) and Oxford Direct Services Trading Limited (ODSTL)

Summary and recommendations	
Purpose of report:	To seek approval for a change in the Council's appointments to the Board of Directors for both ODSL and ODSTL
Recommendations:	That there is a resolution to:
1.	appoint Ian Wright as one of the Directors on the ODSL Board, on an interim basis;
2.	appoint Ian Wright as one of the Directors on the ODSTL Board, on an interim basis; and
3.	note that Tim Sadler will become a Non-Executive Director of both ODSL and ODSTL

Background and reasons

1. Oxford Direct Services Limited (ODSL) and Oxford Direct Services Trading Limited (ODSTL) are companies wholly owned by Oxford City Council.
2. The Shareholders' Agreement relating to each company states that it is the responsibility of the shareholder, the Council, to give prior written consent for the appointment and dismissal of any Director to the Board of the company. The Council's Constitution provides (Part 3.7) that the shareholder role will be performed by the Shareholder and Joint Venture Group.
3. The current Directors of ODSL and ODSTL are Tim Sadler, Catherine Pridham (Non-Executive Director), Michael Whitwell (Non-Executive Director) and Simon Howick (Managing Director). In light of Tim Sadler's retirement from the Council from 30th April 2021 he will continue to serve as a Director of the two companies until the end of his term, in a non-executive capacity, however he will no longer be the council's representative on the company boards. It is therefore proposed that Ian Wright, the Council's Head of Regulatory Services and Community Safety, take this role on an interim basis until the Council's

Executive Director for Corporate Resources is in post. Ian Wright should be appointed to the Boards of both ODSL and ODSTL as a Director.

Financial Implications

4. There are no financial implications arising directly from this report.

Legal Implications

5. The responsibility to represent the Council as shareholder of each company is an executive function. The Leader of the Council may therefore determine the nature of such representation, currently operated through a Shareholder and Joint Venture Group comprising all members of the Cabinet.
6. The directors hold a fiduciary duty to their company, but at the same time are also accountable to the shareholder, and as such owe duties to both the Council and the company.
7. As the Council and its companies are separate legal entities, care must be taken to ensure that conflicts of interest are avoided. The Council's Constitution provides that when Council officers are asked to provide advice in a situation where the interests of the Council and a company are not entirely aligned, individual officers should be assigned to advise or represent one side or the other, but should not act for both.

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