

To: Leader of the Council
Date: 28 September 2021
Report of: Head of Law & Governance
Title of Report: Appointment of Stephen Gabriel to 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 the Leader resolves to: |
| 1. | Appoint Stephen Gabriel in place of Ian Wright as a Director on the ODSL Board with effect from 25 th October 2021; and |
| 2. | Appoint Stephen Gabriel in place of Ian Wright as a Director on the ODSTL Board with effect from 25 th October 2021. |

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 shareholding is an executive function and that the Leader of the Council may determine the nature of such representation. The Council's shareholding responsibilities are currently exercised by the Shareholder and Joint Venture Group but the Leader retains the ability to take individual member decisions in relation to the Council's companies.
3. The current Directors of ODSL and ODSTL are Ian Wright, Tim Sadler (Non-Executive Director), 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 in April 2021, although he continued to serve as a Director of the two companies in a non-executive capacity, he ceased to be the Council's representative on the company boards. That role transferred to Ian Wright, the Council's Head of Regulatory Services

and Community Safety, on an interim basis pending the arrival of the Council's Executive Director.

4. Stephen Gabriel has been appointed the Council's Executive Director for Housing and Communities and has now taken up his post. It is therefore proposed that Ian Wright be thanked for his work in the interim role but Stephen Gabriel be appointed as the Council's representation on the board of Directors of ODSL and ODSTL.

Financial Implications

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

Legal Implications

6. 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.
7. 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.
8. 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.

| | |
|----------------------------|--|
| Report author | Susan Sale |
| Job title | Head of Law & Governance |
| Service area or department | Law & Governance |
| Telephone | 01865 335843 |
| e-mail | ssale@oxford.gov.uk |