

SUTTON SHAREHOLDINGS BOARD

1 May 2019 at 6.30 pm

MEMBERS: Councillor Sunita Gordon (Chair), Councillor Jayne McCoy (Vice-Chair) and Councillors Eric Allen

ABSENT Councillor(s) Trish Fivey and Neil Garratt

28. WELCOME AND INTRODUCTIONS

The Chair, Councillor Sunita Gordon, welcomed those present.

29. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Trish Fivey.

30. DECLARATIONS OF INTEREST

There were no declarations of interest.

31. MINUTES OF THE PREVIOUS MEETING

RESOLVED: that the minutes of the meeting held on 05 February 2019 be agreed as an accurate record.

32. REVIEW: NON-EXECUTIVE DIRECTOR APPOINTMENTS IN COUNCIL COMPANIES

Jessica Crowe, Assistant Director - Customers, Commissioning and Governance, briefly presented the report. Members queried whether council officers should be appointed to Cognus and agreed that the review encompass all types of directors by examining the broader composition of each board.

RESOLVED: that

1. The current composition of each board of directors of companies in which the council has a shareholding interest attached at Appendix A be noted.
2. The abbreviated board evaluation questions to be sent to companies in which the council has a shareholding interest attached at Appendix B be agreed.
3. The terms of reference of the review as outlined under section 4 of the report be agreed.

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4. A summary of responses to the board evaluation will be reported to a future meeting of the Sutton Shareholdings Board alongside the outcome of the review be noted.

33. ENCOMPASS LATC LIMITED BUSINESS PLAN 2019/20

Lorraine Thomas, Managing Director of Encompass LATC presented the report, accompanied by Simon Latham, Assistant Director - Housing, Planning and Regeneration (and company director). It was clarified that the company aimed to raise a surplus as a form of cross-subsidisation. Further comment was given as to services offered by the company.

RESOLVED: that the Business Plan for 2019/20 attached as Appendix A be approved.

34. SUTTON LIVING LIMITED - PERFORMANCE UPDATE

Simon Latham, Assistant Director - Housing, Planning and Regeneration (and company director) presented the report.

The Chair motioned that the public and press be excluded, as seconded by Councillor Eric Allen, and agreed by the Board, on the grounds that discussion would involve the likely disclosure of exempt information as defined in paragraph 3 Schedule 12A of the Local Government Act 1972. In closed session, Members examined exempt Appendix B to the report, the operating budget variance.

RESOLVED: that

1. The performance update set out in section 4 and actions proposed to deliver projects by the Company, including mitigating development risk, be noted.
2. The Quarter 4 financial update be noted.

35. SUTTON LIVING LIMITED - BUSINESS PLAN 2019/20

Simon Latham, Assistant Director - Housing, Planning and Regeneration (and company director) presented the report. Members discussed the relationship between the Council as shareholder and the company in the context of reputational risk.

RESOLVED: that the review be noted and the goals set out for 2019/20 in the attached Appendix 1 be approved.

36. SDEN LTD PERFORMANCE UPDATE

Amanda Cherrington, Managing Director of SDEN, presented the report.

The Chair motioned that the public and press be excluded, as seconded by Councillor Eric Allen, and agreed by the Board, on the grounds that discussion would involve the likely disclosure of exempt information as defined in paragraph 3 Schedule 12A of the Local Government Act 1972. In closed session, Members examined exempt Appendix C to the report, the budget variance.

RESOLVED: that

1. The performance update contained in the Sutton Decentralised Energy Network Performance Report in Appendix A be noted.
2. The Sutton Decentralised Energy Network Risk Register in exempt Appendix B be noted
3. The Sutton Decentralised Energy Network Budget Variance for Q4 2018/19 in exempt Appendix C be noted.

37. SDEN LTD BUSINESS PLAN 2019/20

Amanda Cherrington, Managing Director of SDEN, briefly presented the report. Members discussed an expected growth in the number of customers and the financial plan, including cumulative cash flow. Discussion also ensued as to any future plans with St Helier Hospital, in light of recent press releases relating to a 'CHP unit' (Combined heat and power boilers). It was confirmed that this did not affect any potential link to SDEN.

RESOLVED: that the Sutton Decentralised Energy Network 2018-21 Business Plan be approved.

38. COGNUS BUSINESS PLAN 2019/20

Kieran Holliday, Head of Pupil Based Commissioning, briefly introduced the report followed by Tracey Burley, Managing Director of Cognus and Bob Harrison (Director - Cognus).

A correction was noted to paragraph 4.2 of the report, that services would no longer be provided in respect of: english as an additional language, ASD (Autism Spectrum Disorder) and speech and language therapy.

Members discussed with the representatives: opportunities in the neighbouring boroughs, travel costs for the company and the existence of any 'competitors' in the field. The wide range of services was noted by the Board and examination was given to quality assurance aspects. Explanation was also provided by the company representatives as to organisational structure and line management.

Members again noted the reputational risk to the Council in its role as 'A Shareholder' to the company, particularly when strong public opinion may be expressed. The Managing Director offered to include this risk in their corporate register after speaking to the importance of a communications plan, which Members agreed.

RESOLVED: that

1. The Cognus Annual Business Plan 2019/20 be approved.
2. The nominated officer be authorised to approve, on behalf of the Sutton Shareholdings Board any further non-material changes to the Annual Business Plan recommended by the B shareholders in consultation with the Chair of the Sutton Shareholdings Board.

39. ANY URGENT BUSINESS

There was no urgent business.

The meeting ended at 8.02 pm

Chair:

Date: