




Report to:	Sutton Shareholdings Board	Date:	27 June 2018
Report title:	Cognus Ltd - Appointment of A Non Executive Directors		
Report from:	Nick Ireland, Acting Strategic Director - People Directorate		
Ward/Areas affected:	Borough-wide		
Chair of Committee/Lead Member:	Councillor Sunita Gordon, Chair		
Author(s)/Contact Number(s):	Kieran Holliday, Head of Pupil Based Commissioning, 0208 770 6553		
Corporate Plan Priorities:	<ul style="list-style-type: none"> • A Smart Council 		
Open/Exempt:	Open		
Signed:		Date:	14 June 2018

1. Summary

- 1.1 This report sets out the process followed in recruiting the services of two Non Executive company directors for the Board of Cognus Ltd and seeks ratification from Sutton Shareholdings Board of the appointment of those directors to the Board.

2. Recommendations

The Sutton Shareholdings Board is recommended to:

- 2.1 Ratify the appointment of two Independent Non Executive Directors, Krishna Yergol and Dean Clarke to the Board of Cognus Ltd.

3. Background

- 3.1 Non-Executive Directors provide appropriate oversight, scrutiny, challenge and leadership to Cognus. As a separate entity in its own right, all Cognus directors are to operate on a wholly objective basis ensuring they act and are seen to act in a way which is politically neutral. Non-Executive Directors have a particular role in scrutinising the performance of the executive management team in meeting agreed goals and objectives and monitoring the reporting of performance.



- 3.2 There are six Non-Executive Directors including the Chairman - four appointed by the London Borough of Sutton and two by the minority shareholders (Sutton schools and academies) acting collectively. The sole Executive Director, the Managing Director, is Tracey Burley. Each Director has the same responsibility as the other Directors for the success of the organisation.
- 3.3 There are currently two A shareholder Directors - Ian Comfort (Chair) and Paul Darvell. Two of the A Directors, Roz Hills and Lesley Hobbs, resigned from the Board for personal reasons and need to be replaced.
- 3.4 The recruitment to the two vacant A shareholder NED positions took place in April (advert published on various NED platforms including nonexecutivedirectors.com, nedonboard.com, nedexchange.co.uk). The closing date was 4 May with 5 applications submitted. 3 candidates were shortlisted and interviewed by the A shareholder representative Kieran Holliday and the Managing Director of Cognus Ltd Tracey Burley on the 18 and 21 May 2018.
- 3.5 One applicant withdrew his application as he had mistakenly understood the role to be paid. The remaining two applicants were appointed on the grounds that they met the person specification and would add value to the current skill sets of the board.
- 3.6 Krishna Yergol is a Digital Transformation Leader with 17 years' experience in large scale business transformation, business change, digital service design, and technology. Having worked in a number of Government and Private Sector roles Krishna specialises in modernising and improving service delivery and user experience whilst reducing operating costs.
- 3.7 Dean Clark has over 30 years experience in the investment banking sector and is currently a trustee and director of the LEO Academy Trust. Dean's financial knowledge and expertise will help the company towards a financially sustainable position and his knowledge of the company's key customer base will help the company to tailor services to what is needed in an increasingly fragmented marketplace.

4. Issues

- 4.1 There are no issues in this report not covered by the above.

5. Options Considered

- 5.1 The Company is to operate with a minimum of 7 Directors. Action must be taken to appoint new Directors.
- 5.2 Advertising in the free press / websites identified above was considered appropriate. Quotes for paid advertising was considered and enquiries were made with regard to the possibility of placing the position with an agency that specialise in the recruitment of non executive directors but the costs were considered to be excessive/not providing value for money.

6. Impacts and Implications

Financial

- 6.1 There are no financial implications to this report. The NED are unpaid positions (reasonable expenses will be paid).

Legal

- 6.2 As the appointment of Directors is not a Reserved Matter under the Shareholders Agreement, the appointment of Directors are governed by Article 17 of the Company's Articles of Association. As this relates to the appointment of 2 A shareholder directors then Article 17.2 applies.

7. Appendices and Background Documents

Appendix letter	Title
N/A	

Background documents
None

Audit Trail		
Version	Final	Date: 14 June 2018
Consultation with other officers		
Finance	Yes	Sue Holmes
Legal	Yes	Rachel Godson-Amamoo
Equality Impact Assessment required?	No	N/A

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