

APPOINTMENTS TO OUTSIDE BODIES

Report of the Head of Law and Governance

1.0 Introduction

1.1 The purpose of this report is to consider additional appointments to the Board of Sunderland Care and Support Limited.

2.0 Sunderland Care and Support Limited

2.1 The Cabinet at its meeting on 19 June 2013 agreed to establish a Local Authority Trading Company (Sunderland Care and Support Limited) to replace in-house care and support provision. The Council then agreed on 24 July 2013 to appoint Councillors Fletcher, Lawson and A Wilson to the Board of Directors of the Company.

2.2 Sunderland Care and Support Limited has continued to evolve since it was incorporated and the next stage of its development is for it to become a mutualised company during 2016. This will mean that the company will no longer be controlled by the Council and will operate as a commercial entity with the shares in the Company being owned by an organisation representing the employees. The Company will enter into contracts with the local authority to provide services on its behalf.

2.3 The Council is asked to consider the appointment of the Chief Operating Officer and Chief Finance Officer of the Company to the Board of Directors, bringing the total number of Company Directors to five. The reasons for this proposal are to:-

- enable the Chief Operating Officer and Chief Finance Officer of Sunderland Care and Support Limited to enter into contracts on behalf of the Company;
- increase the commercial and care sector skill base among the Directors; and
- avoid potential conflicts of interest which may affect the existing Directors, who are all elected Members.

2.4 Once the company is mutualised later this year, the Directors who are elected Members will stand down from the Board and be replaced by Directors who bring specific skills or experience or represent specific stakeholder interests. The appointment of the Chief Operating Officer and Chief Finance Officer to the Board at this time will also provide some continuity during this handover phase.

3.0 Recommendations

3.1 The Council is accordingly recommended to consider the appointments of the Chief Operating Officer and the Chief Finance Officer of Sunderland Care and Support Limited to the Board of Directors of the Company.