

Part I – Item 1

Electoral Division affected:
None

Membership of the Board of One Connect Limited

Contact for further information
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Executive Summary

At its meeting held on 7 October 2010 Cabinet agreed to the County Council entering into a strategic partnership with BT plc taking the form of a limited liability joint venture company 60% owned by BT and 40% owned by the County Council.

The Company, subsequently established as One connect Limited (OCL), has a Board of 10 directors comprising six BT nominees and four County Council nominees. The Cabinet agreed to the proposal that two of the four Directors nominated by the County Council should be the then Leader of the Council and the Chief Executive, the remaining two Directors to be appointed by the Leader in consultation with the Chief Executive, one of whom was likely to be a non-executive Director i.e. not a councillor or officer.

This report proposes amendments to the County Council's nominations to the Board of Directors.

Recommendation

The Leader of the County Council is recommended to agree to authorise the County Secretary & Solicitor to take all actions necessary to give effect to the proposals set out in the report in relation to the County Council's nominations to the Board of OCL.

Background and Advice

At its meeting held on 7 October 2010 the Cabinet agreed to the creation of a strategic partnership between the County Council and BT plc in the form of a jointly owned, limited liability joint venture company subsequently established as One Connect Limited (OCL).

Cabinet also agreed to appoint to the Board of OCL as Directors the then Leader of the Council and Chief Executive with full power to act in respect of the operation of

the Company, and to authorise the Leader, in consultation with the Chief Executive, to agree the nominations for the Council's two remaining Directors (who would also have full power to act).

In exercising that power the former Leader agreed to appoint the former Deputy Leader of the Council as one of the two remaining Directors. As originally envisaged the fourth nomination to the Board that was agreed was a non-executive Director.

In establishing OCL the County Council nominations as Directors and who currently remain as Directors are:

Cllr Geoff Driver
Cllr Albert Atkinson
Phil Halsall

Following the County Council elections in May 2013 there has been a change in Administration and therefore it is appropriate to remove the former Leader and Deputy Leader from the Board as they are no longer able to exercise any executive powers on behalf of the Council. Similarly, as the Chief Executive's contract of employment with the council has been terminated by mutual consent, it is appropriate that Mr Halsall also be removed as a Director of OCL.

The County Council is entitled to remove Directors from the Board of OCL by giving notice to OCL and, if it sees fit, to make fresh nominations to the Board. It is proposed that at this stage the County Secretary & Solicitor be authorised to take all actions necessary to effect the removal from the Board of the former Leader, Deputy Leader and Chief Executive.

It is recommended that at the present time no new nominations are made by the Council to the Board of OCL pending a review of the relationship between the Council and OCL.

Consultations

N/A

Implications:

This item has the following implications, as indicated:

Risk management

The removal of the current Council nominated Directors is necessary as the former Leader and Deputy Leader are no longer able to exercise executive powers on behalf of the Council and the former Chief Executive's contract of employment has been terminated by mutual consent.

List of Background Papers

| Paper | Date | Contact/Directorate/Tel |
|-------------------|----------------|--------------------------------------|
| Report to Cabinet | 7 October 2010 | Dave Gorman, OCE, (01772 5) 34261 |

Reason for inclusion in Part II, if appropriate

N/A.