



SOUTH
KESTEVEN
DISTRICT
COUNCIL



Governance and Audit Committee

13 March 2024

Report of Councillor Philip Knowles,
Cabinet Member for Corporate
Governance and Licensing

LeisureSK Limited – Board of Directors

Report Author

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Purpose of Report

The Governance and Audit Committee is invited to consider making appointments to the Board of Directors further to the resignation of Councillor Steve Cunnington from the Board since the Committee's last meeting.

Recommendations

That the Governance and Audit Committee:

- 1. Considers making appointments to the Board of Directors on LeisureSK Limited to vacancies on the Board.**

Decision Information

Does the report contain any exempt or confidential information not for publication?	No
What are the relevant corporate priorities?	Connecting Communities Enabling Economic Opportunity
Which wards are impacted?	All wards

1. Implications

Taking into consideration implications relating to finance and procurement, legal and governance, risk and mitigation, health and safety, diversity and inclusion, safeguarding, staffing, community safety, mental health and wellbeing and the impact on the Council's declaration of a climate change emergency, the following implications have been identified:

Finance

1.1 There are no financial implications arising from this report.

Completed by: Richard Wyles, Chief Finance Officer

Legal and Governance

1.2 It is strongly recommended that Cabinet Members or Statutory Officers of the Council are not appointed as Directors of Council-owned companies given their roles on 'Council-side' decision-making and the personal responsibilities Statutory Officers hold in the interests of the authority.

1.3 The requirements of the Companies Act 2006 in respect of company Directors is set out in the body of the report.

Completed by: Graham Watts, Assistant Director (Governance and Public Protection) and Monitoring Officer

2. Background to the Report

2.1 Since the previous meeting of the Governance and Audit Committee, a further vacancy has arisen on the Board of the Council-owned company, LeisureSK Limited. The Governance and Audit Committee is requested to consider making appointments to fill five vacancies which currently exist on the Board.

3. Key Considerations

- 3.1 Councillor Steve Cunnington has resigned from the Board of LeisureSK Limited. Debbie Roberts (The Council's Head of Corporate Projects, Performance and Climate Change) and David Monkhouse (Non-Executive Director) continue to oversee the operational and financial performance of the company as existing Directors. The Company is currently quorate in accordance with the provisions of the Companies Act 2006 and its own Articles of Association, which specify that at least one Director must be appointed to the Board. The quorum for meetings of Directors, where decisions can be taken relating to the Company, is two Directors.
- 3.2 A number of vacancies exist on the Board, as reported to the previous meeting of the Governance and Audit Committee. This latest resignation means that there are now five vacancies on the Board to which the Council could decide to make appointments. The Governance and Audit Committee is therefore invited to consider any nominations for appointment to the Board of LeisureSK Limited.

4. Other Options Considered

- 4.1 The Governance and Audit Committee could opt not to make further appointments to the Board of LeisureSK Limited.

5. Reasons for the Recommendations

- 5.1 To ensure that LeisureSK Limited is properly constituted in terms of Board membership in order that it is quorate, can take decisions and operate in accordance with the Companies Act 2006 and its Articles of Association.