

Executive

18 March 2019

Greensand Holdings: Key Findings

Greensands Holdings Ltd: Commercial Governance Review – Key Findings

The Council was clear from the outset that the strategic objective for setting up the company was to increase the income and value derived from Council property and assets and this aligned to the 5 Year Plan objective of ensuring the Council's financial sustainability.

Pre decision scrutiny of the decision to set up the company led to wide member buy-in at the outset. But after the initial set up the lack of progress reporting to the Property Sub Committee (O&S and the Executive) meant that subsequent member engagement was limited. The business plan failed to identify robust success/outcome measures against which performance would be monitored or any agreed reporting mechanisms. The absence of a formal timetable for reporting against clear performance measures meant that the Council as stakeholder was not fully informed of progress, did not track progress effectively and did not hold the company to account. It did not set out measures which would enable it to assess whether the strategic driver was being met over time.

The absence of the appointment of Non-Executive Directors contributed to a lack of independence with little consideration of the potential conflict of interests for Directors of the Company who were Council employees and appointed without any skills audit.

Looking forward the Group consider it essential for more detailed consideration to be given to appropriate performance measures and reporting framework when agreeing the business plan so that the Council as stakeholder has a guaranteed minimum level of progressing reporting.