
Report to Shareholder Committee / Cabinet

MioCare Group: Governance Renewal and Permanent Leadership Appointments

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Date: 21st September 2026

Reason for Decision

This report seeks agreement to proceed with a programme of governance and leadership renewal for MioCare following the findings of an independent interim Commercial and Sustainability Review.

The report recommends:

1. Formal recruitment to a permanent Independent Chair of MioCare.
2. A strengthened approach to the appointment of Non-Executive Directors, led by the new Chair once appointed.
3. Recruitment to a permanent Managing Director role for MioCare, led by the Chair with the involvement of the Council's Deputy Chief Executive.
4. Approval of the proposed accountability and reporting arrangements between MioCare, the Chair, the Managing Director and the Council as shareholder.
5. Approval in principle of the remuneration approach for the Chair and Managing Director, with final values to be confirmed following benchmarking and HR advice.

Executive Summary

MioCare is a strategically important organisation for Oldham. It delivers adult social care services on behalf of the Council and supports some of the borough's most vulnerable residents.

The Council commissioned an independent interim Commercial and Sustainability Review to consider governance, strategic direction, financial sustainability and stakeholder dynamics. The review explicitly states that it did not assess the quality or effectiveness of front-line care delivery. Its focus was governance, organisational structure, leadership, financial sustainability and the relationship between MioCare and the Council as shareholder.

The review identifies significant concerns. These include insufficient strategic challenge from Non-Executive Directors, weak accountability for key risks, limited strategic autonomy, a lack of commercial focus, blurred governance lines between MioCare and the Council, and uncertainty about MioCare's future operating model.

The review concludes that MioCare is currently in an unsustainable position, sitting between being a fully functioning arms-length trading company and a more traditional in-house service delivery model. It describes a need to resolve legal, structural and leadership issues so that MioCare has a viable future direction.

The recommended response is a focused programme of governance and leadership renewal. This should begin with the appointment of a permanent Independent Chair, followed by a strengthened Board and the recruitment of a permanent Managing Director.

These appointments are essential to provide stability, accountability and strategic leadership. They will also support a clearer and more mature relationship between MioCare and the Council as sole shareholder.

Recommendations

Note the findings of the independent interim Commercial and Sustainability Review, which identified significant weaknesses in MioCare's governance arrangements, strategic leadership, accountability and organisational clarity. The review found that MioCare is not currently operating with the autonomy, commercial focus or governance discipline expected of a fully functioning Local Authority Trading Company model.

Agree that the Council proceeds to a formal recruitment process for a permanent Independent Chair of MioCare.

Approve the proposed appointment process for the permanent Chair, as set out in section 8 of this report.

Agree that, following appointment, the Independent Chair be authorised to review the composition, skills and capacity of the MioCare Board and to lead the process for appointing additional Non-Executive Directors.

Delegate authority to the Independent Chair, in consultation with the Council as shareholder, to bring forward proposals for the appointment of new Non-Executive Directors, subject to compliance with MioCare's Articles of Association, company law requirements and shareholder governance arrangements.

Agree that recruitment to a permanent Managing Director role for MioCare should proceed following the appointment of the permanent Chair.

Agree that the recruitment of the permanent Managing Director should be led by the Independent Chair, with formal involvement from the Council's Deputy Chief Executive (Health and Care) acting on behalf of the shareholder.

Approve in principle the inclusion of remuneration packages for both the Independent Chair and Managing Director, subject to final benchmarking, HR advice and shareholder approval.

The proposed terms for each post are:

Independent Chair

- Annual remuneration: **£15, 000 per annum**
 - Expected time commitment: **4 days per month**
 - Initial term: **3 years**
 - Renewal: Subject to performance and shareholder approval
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Managing Director

- Salary: **£110, 000 - £120, 000 per annum**
- Pension and benefits: In accordance with MioCare policy
- Contract type: Permanent
- Any performance-related element: Subject to shareholder-approved remuneration arrangements

Agree that the Chair and Managing Director will report to the Shareholder Committee on behalf of MioCare, with the Chair accountable for Board governance and assurance, and the Managing Director accountable to the Board for operational delivery.

Require the Chair and Managing Director, once appointed, to bring forward a refreshed governance improvement plan, corporate strategy and performance framework for consideration by the Shareholder Committee.

1 Background

- 1.1 MioCare was established to deliver adult social care services through an arms-length company model. The Council is the sole shareholder and therefore has a legitimate and continuing interest in the company's governance, financial sustainability, performance, risk management and strategic direction.

The independent review was commissioned to consider MioCare's commercial sustainability and governance arrangements. It followed engagement with Council stakeholders, MioCare senior management and Non-Executive Directors.

The review identified issues across several areas:

- Board effectiveness and strategic challenge.
- Accountability for key organisational and financial risks.
- Executive leadership and delivery grip.
- The relationship between MioCare and the Council.
- The extent to which MioCare operates as a genuine Local Authority Trading Company.
- The limitations and ambiguity created by current organisational structures.
- The absence of a clear growth, sustainability and transformation strategy.

The review further notes that Non-Executive Directors acknowledged, on reflection, that they had not acted with sufficient robustness in challenging pressures placed on the organisation or championing the independence and commercial ambition expected of an arms-length company.

Senior management also recognised that MioCare had not sufficiently challenged stakeholder pressures or asserted the strategic autonomy required to operate effectively as a Local Authority Trading Company.

2 Key Issues Arising from the Review

2.1 Governance and Board Effectiveness

The review concluded that current governance arrangements require significant strengthening. It identified a lack of strategic focus from Non-Executive Directors, insufficient challenge to executive management and the Council, and weaknesses in oversight of major risks, including financial exposures.

This points to the need for a refreshed Board, led by a permanent Independent Chair with the authority, experience and confidence to reset governance arrangements.

2.2 Executive Leadership

The review found that executive management has been stronger on planning and documentation than on delivery and execution. It also identified weaknesses in change management and organisational accountability.

A permanent Managing Director appointment is therefore required to provide clear executive leadership, strengthen delivery grip and lead the organisation through the next phase of development.

2.3 Shareholder Relationship

The review highlights a blurring of governance lines between MioCare and the Council. It suggests that the Council has at times operated less as an arms-length shareholder and more as an extension of Adult Social Care, with operational influence creating ambiguity in accountability.

There is therefore a need to reset the shareholder relationship. The Council should be clear about strategic expectations, assurance and outcomes, while avoiding routine involvement in day-to-day operational management.

2.4 Strategic Direction

The review concludes that MioCare has not fully realised the intended benefits of the Local Authority Trading Company model. It identifies limited commercial autonomy, a lack of market-facing orientation and insufficient strategic independence.

The appointment of a permanent Chair and Managing Director provides the opportunity to establish a clearer strategic direction, including the future purpose, operating model and sustainability plan for MioCare.

3 Proposed Response

The proposed response is to proceed with a managed programme of governance renewal rather than immediate structural reorganisation.

This programme should have three core components:

1. Appointment of a permanent Independent Chair.
2. Strengthening of the Board through new Non-Executive Director appointments.
3. Appointment of a permanent Managing Director.

This approach is proportionate. It addresses the leadership and governance weaknesses identified in the review while allowing the future Chair and Managing Director to develop detailed proposals on strategy, structure and operating model.

4 Appointment of Permanent Independent Chair

4.1 Rationale

The appointment of a permanent Independent Chair is the most important immediate step.

The Chair will be responsible for:

- Providing independent strategic leadership to the Board.
 - Rebuilding confidence in MioCare's governance arrangements.
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- Establishing clear Board discipline, accountability and assurance.
 - Leading the relationship between MioCare and the Council as shareholder.
 - Supporting the recruitment of a permanent Managing Director.
 - Reviewing the composition and effectiveness of the Board.
 - Overseeing the development of a refreshed company strategy and governance improvement plan.

The Chair should have significant experience in corporate governance, health and care, organisational transformation, financial stewardship and operating in politically complex public service environments.

4.2 Reporting Line and Accountability

The Chair will be accountable to the Shareholder Committee for the effective governance of MioCare on behalf of the Board.

The Managing Director will be accountable to the Chair and Board for operational leadership and delivery.

The Chair and Managing Director will jointly report to the Shareholder Committee on:

- Corporate performance.
- Financial sustainability.
- Governance and risk.
- Delivery of agreed strategic objectives.
- Progress against the governance improvement plan.
- Major issues requiring shareholder attention or approval.

This creates a clear line of accountability:

Shareholder Committee/Cabinet

- **Independent Chair**
- **MioCare Board**
- **Managing Director**
- **Executive Leadership Team**

This structure preserves the Council's legitimate role as shareholder while maintaining the operational independence of the company.

5 Process to Appoint the Permanent Chair

The Chair should be appointed through an open, transparent and proportionate recruitment process.

5.1 Recruitment Panel

It is proposed that a recruitment panel be established comprising:

- Leader of the Council or nominated Cabinet Member.
- Chief Executive.
- Deputy Chief Executive — Health and Care.
- Director of Finance or nominated senior finance representative.
- Monitoring Officer or nominated governance/legal representative.
- Independent external adviser, if required.

5.2 Role Specification

A role description and person specification will be developed and approved before advertisement. This should include:

- Strategic Board leadership.
- Governance and assurance.
- Financial and commercial oversight.
- Health and social care understanding.
- Public sector partnership experience.
- Ability to operate effectively with elected members, senior officers and external partners.

5.3 Search and Advertising

The role should be advertised externally. Specialist search support may be used if required to ensure the field includes candidates with relevant senior governance, health, care, commercial and transformation experience.

5.4 Assessment

The assessment process should include:

- Longlisting and shortlisting against agreed criteria.
- Formal interview with the recruitment panel.
- Stakeholder engagement or presentation exercise, if appropriate.
- Due diligence, including references and conflict of interest checks.

5.5 Final Approval

The recruitment panel will recommend a preferred candidate to the Shareholder Committee/Cabinet for final approval.

The appointment will not take effect until formally approved through the agreed shareholder governance process.

6 Remuneration Package for Chair

The Chair role should be remunerated at a level that reflects the complexity of the role, the time commitment required and the need to attract experienced candidates.

The final package should be subject to benchmarking and HR advice. The following placeholders should be included in the appointment documentation:

- Annual remuneration: **£15, 000 per annum**
- Expected commitment: **4 days per month**
- Initial term: **3 years**
- Review period: Annual review through shareholder governance arrangements
- Expenses: Reasonable expenses reimbursed in line with agreed policy

For planning purposes, the Council may wish to benchmark the role against comparable local authority trading companies, health and care providers, council-owned companies and arm's-length public service organisations.

7 Appointment of Additional Non-Executive Directors

7.1 Rationale

The review raises substantial concerns about Board effectiveness, strategic challenge and the level of commercial and governance grip within MioCare.

A strengthened Board will be required to support the next phase of MioCare's development.

However, the detailed shape of the Board should be determined once the new Chair is in post. This will allow the Chair to review the skills, capacity and experience already available and identify the additional expertise required.

7.2 Delegated Role of the Chair

It is proposed that the Chair be authorised to:

- Undertake a Board skills and capability review.
- Identify gaps in governance, finance, care quality, commercial development, workforce and transformation expertise.
- Recommend the number and profile of additional Non-Executive Directors required.
- Lead the recruitment process for new Non-Executive Directors.
- Consult the Council as shareholder before final appointments are made.

The Chair should report back to the Shareholder Committee within **[insert timeframe, suggested three to six months]** of appointment with a proposed Board renewal plan.

7.3 Shareholder Role

The Shareholder Committee should retain oversight of Board appointments to ensure they are consistent with the Council's expectations as sole shareholder and with MioCare's Articles of Association.

8 Recruitment of Permanent Managing Director

8.1 Rationale

The review identifies weaknesses in delivery, change management and organisational accountability. It also highlights the need for a clearer strategic mandate and stronger leadership grip.

Interim leadership arrangements have provided short-term stability. However, MioCare now requires a permanent Managing Director to lead the organisation through a period of governance improvement, strategic reset and operational delivery.

8.2 Role of the Managing Director

The Managing Director will be responsible for:

- Operational leadership of MioCare.
 - Delivery of agreed corporate objectives.
 - Financial management and sustainability.
 - Workforce leadership and organisational culture.
 - Risk management and compliance.
 - Development and delivery of the corporate strategy.
 - Reporting to the Board and supporting assurance to the Shareholder Committee.
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8.3 Appointment Process

The recruitment process should begin after the permanent Chair has been appointed.

The process should be led by the Chair, with formal involvement from the Council's Deputy Chief Executive — Health and Care — acting on behalf of the shareholder.

The appointment panel should include:

- Independent Chair of MioCare.
- Deputy Chief Executive — Health and Care.
- At least one Non-Executive Director, where available.
- Senior HR adviser.
- Independent technical adviser, if required.

The Chair should make a recommendation to the Board following completion of the recruitment process. Given the strategic importance of the role and the Council's position as sole shareholder, the Shareholder Committee should be consulted before final appointment.

8.4 Remuneration Package for Managing Director

The final reward package should be subject to HR advice, market benchmarking and shareholder approval.

The appointment documentation should include the following placeholders:

- Salary: **£110, 000 - £120, 000 per annum**
- Pension: **NEST 4% employer 6% employee**
- Annual leave: **26+1 for each completed week**
- Notice period: **Min 3 months**
- Contract type: Permanent
- Performance framework: Annual objectives agreed by the Board, with shareholder input where appropriate

The salary should be benchmarked against comparable Managing Director, Chief Executive and senior operational leadership roles in local authority trading companies, adult social care providers, public service companies and council-owned companies.

9 Shareholder Governance Arrangements

The review makes clear that the shareholder relationship needs to be reset.

The Council should act as an engaged and intelligent shareholder. That means setting clear expectations, receiving robust assurance and holding the company to account for performance and sustainability. It does not mean routinely directing operational decisions.

The proposed future arrangements are:

Shareholder Committee/Cabinet

Responsible for:

- Setting shareholder expectations.
 - Approving reserved matters.
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- Receiving assurance on performance, finance and risk.
 - Approving Chair appointment.
 - Overseeing key Board appointments where required.
 - Considering major strategic decisions.

Independent Chair

Responsible for:

- Leading the MioCare Board.
- Ensuring effective governance.
- Holding the Managing Director to account.
- Reporting to the Shareholder Committee on behalf of the Board.
- Leading Board renewal.

Managing Director

Responsible for:

- Operational management.
- Delivery of strategy and performance.
- Leadership of staff and services.
- Risk and financial management.
- Reporting to the Board.

This approach supports clearer accountability and reduces the risk of blurred governance lines between the Council and MioCare.

10 Financial Implications

There will be financial implications arising from the remuneration of the permanent Chair, additional Non-Executive Directors and permanent Managing Director.

The precise costs will depend on the final remuneration packages agreed following consultation with the MioCare Board and Remuneration Committee. These packages will be developed using independent HR advice and external benchmarking to ensure they are appropriate and competitive.

At this stage, the report seeks approval in principle to include appropriate remuneration packages within the recruitment processes.

The financial implications should be confirmed before posts are advertised and should be reflected in MioCare's budget and medium-term financial planning.

(Lee Walsh – Director of Finance)

11 Legal and Governance Implications

The appointment of an Independent Chair, Non-Executive Directors and a permanent Managing Director must be undertaken through an open, fair and transparent process which is demonstrably based on merit and complies with the Council's equality duties. Appropriate due diligence should be undertaken on preferred candidates, including conflicts of interest, declarations of interests, references, fit and proper person considerations and any other checks considered necessary having regard to the nature of the appointments.

The proposed governance model seeks to strengthen accountability whilst maintaining the legal separation between the Council as shareholder and MioCare as an independent corporate entity. Care should be taken to ensure that shareholder oversight does not extend into the operational management of the company, which remains the responsibility of the Board and executive leadership. Maintaining this distinction will assist in reducing governance risk and ensuring clear accountability.

MioCare is a company limited by guarantee wholly owned by the Council as sole shareholder. Whilst the Council has a legitimate interest in the governance, performance and sustainability of the company, it is important that the respective roles of the shareholder, Board of Directors and executive management remain distinct and are exercised in accordance with company law and the company's Governance documents.

(Alex Bougatef – Director of Legal- Monitoring Officer)

12 Risk Implications

12.1 Risk: Failure to strengthen governance

If governance arrangements are not strengthened, there is a risk that the issues identified in the review continue.

Mitigation: Recruit a permanent Chair and strengthen the Board.

12.2 Risk: Continued leadership uncertainty

Prolonged interim arrangements may weaken strategic direction and organisational stability.

Mitigation: Proceed to permanent Managing Director recruitment once the Chair is appointed.

12.3 Risk: Unclear shareholder relationship

If the respective roles of the Council, Board and Managing Director remain unclear, accountability may continue to be blurred.

Mitigation: Agree explicit reporting and accountability arrangements.

12.4 Risk: Inability to attract suitable candidates

The complexity of the organisation may make recruitment challenging.

Mitigation: Develop clear role specifications and competitive remuneration packages supported by market benchmarking.

12.5 Risk: Delayed improvement

Governance renewal will take time and may not immediately address all operational and financial issues.

Mitigation: Require the Chair and Managing Director to bring forward a governance improvement plan, corporate strategy and performance framework within an agreed timeframe.

13 Equality and Workforce Implications

The proposed recruitment processes must be fair, open and inclusive.

The appointment of permanent leadership should support greater organisational stability for the workforce and provide clearer direction for staff.

Any subsequent organisational change arising from the refreshed strategy or governance review will need to be subject to appropriate consultation and equality impact assessment.

14 Communications Implications

Clear communication will be required with:

- Current MioCare Board members.
- MioCare senior leadership.
- Staff and trade unions where appropriate.
- Elected members.
- Relevant Council officers.
- External partners.

The message should be clear that the Council is acting to strengthen governance, provide stability and support the long-term sustainability of MioCare.

This should not be presented as a judgement on front-line care delivery. The independent review was explicit that it did not assess operational service quality or day-to-day adult care provision.

15 Proposed Timeline

Subject to approval, the indicative timeline is:

Month 1

- Finalise role description and remuneration package for Chair.
- Confirm recruitment panel.
- Agree recruitment approach and advertising route.

Months 2–3

- Advertise Chair role.
- Longlist and shortlist candidates.
- Complete assessment process.

Month 4

- Recommend preferred Chair to Shareholder Committee/Cabinet.
- Confirm appointment.
- Begin Chair induction.

Months 4–6

- Chair reviews Board composition and skills.
- Chair begins development of Board renewal plan.
- Role description and remuneration package for Managing Director finalised.

Months 6–8

- Managing Director recruitment process undertaken.
 - Chair and Deputy Chief Executive involved in selection.
 - Shareholder consulted before final appointment.
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Months 8–12

- Chair and Managing Director bring forward:
 - Governance improvement plan.
 - Refreshed corporate strategy.
 - Performance and assurance framework.
 - Recommendations on future Board composition.

16 Conclusion

- 16.1 The independent review identifies a compelling need to reset MioCare's governance, leadership and strategic direction. The review does not call into question the quality of front-line care provision, but it does highlight significant weaknesses in the way the organisation is governed, led and held to account.
- 16.2 The appointment of a permanent Independent Chair, the strengthening of the Board and the recruitment of a permanent Managing Director are necessary and proportionate next steps.
- 16.3 These actions will provide the leadership and governance capacity required to stabilise the organisation, improve accountability, clarify the relationship with the Council as sole shareholder and support MioCare's long-term sustainability.
- 16.4 Approval is therefore sought to proceed with the recruitment and governance arrangements set out in this report.

17 Procurement Implications

- 17.1 None

18 Equality Impact, including implications for Children and Young People

- 18.1 N/A

19 Key Decision

- 19.1 No

20 Key Decision Reference

- 20.1 N/A

21 Background Papers

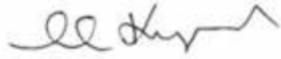
- 21.1 None
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Approved by the Chief Executive following consultation with the political group leaders who were in attendance as follows:-

Cllr Mark Wilkinson
Cllr Max Woodvine
Cllr Mark Kenyon
Cllr Maggie Hurley
Cllr Kamran Ghafoor
Cllr Aisha Kouser
Cllr Arooj Shah
Cllr Elaine Taylor

Decision made under the authorisation contained in Section 9C (5) Delegations of Specific Officers of Part 3 (Responsibility for Functions) and Section 3.6 of Part 4 (Executive Procedure Rules) of the Council Constitution for the Chief Executive to take emergency decisions in respect of the Council's executive functions.

Signed:



Shelley Kipling, Chief Executive

Dated: 22/09/2026

Date of Group Leaders meeting: 21/09/2026

Summary of feedback from the political group leaders:

Group Leader's asked questions on accountability and the costs of interim arrangements.