

Investment Board – 15 October 2020

Minutes of the meeting of the **Investment Board** held on **15 October 2020** when there were present:-

Chairman: Cllr M J Steptoe
Vice-Chairman: Cllr A L Williams

Cllr D S Efde	Cllr Mrs L Shaw
Cllr A H Eves	Cllr D J Sperring
Cllr Mrs J R Gooding	Cllr I H Ward
Cllr G J Ioannou	Cllr S A Wilson
Cllr M J Lucas-Gill	Cllr S E Wootton
Cllr J E Newport	

VISITING MEMBER

Cllrs R Milne, Mrs C E Roe and C M Stanley

OFFICERS PRESENT

A Hutching	- Strategic Director
M Harwood-White	- Assistant Director, Assets & Commercial
M Hotten	- Assistant Director, Place & Environment
A Law	- Assistant Director, Legal & Democratic
L Moss	- Assistant Director, People & Communities
D Tribe	- Assistant Director, Transformation & Customer
A Aldridge	- Principal Open Spaces Officer
S Worthington	- Principal Democratic & Corporate Services Officer
L Morris	- Democratic Services Officer

162 MINUTES

The Minutes of the meeting held on 15 July 2020 were agreed.

163 MAXIMISING THE POTENTIAL OF CHERRY ORCHARD JUBILEE COUNTRY PARK

The Investment Board considered the report of the Assistant Director, Place & Environment on the adoption of the strategy for maximising the potential of Cherry Orchard Jubilee Country Park, as set out in the appended draft master plan.

In response to a Member question regarding the membership of the Working Party, the Assistant Director, Place & Environment advised that the Working Party comprised of Cllr A H Eves, Cllr Mrs J R Gooding, Cllr A L Williams, Cllr Mrs T Carter and Cllr Mrs L Shaw. There were also two representatives from Friends of Cherry Orchard Park who were involved.

A Member queried at what stage a ranger would be able to be introduced to the master plan other than just structural and landscaping issues. The Assistant

Director, Place & Environment advised that this was a concept plan and there were a range of ways in which this could be delivered, therefore, there would be a further stage to agree upon the details.

RECOMMENDED TO COUNCIL

- (1) That the Cherry Orchard Jubilee Country Park master plan be approved.
- (2) That the Member Working Group seeks to explore and identify opportunities that can deliver against the actions set out within the master plan.

164 THE COUNCIL'S LOCAL AUTHORITY TRADING COMPANIES

The Investment Board considered the report of the Assistant Director, Resources setting out the Annual Report of the Directors of Green Gateway (GM) Ltd and providing the accounts of the Local Authority Trading Companies for the financial year 2019/2020.

The Chairman reminded Members that the two appendices were exempt, and therefore asked that Members advised him of any questions that would refer to these appendices.

In response to a Member query regarding the purpose of Green Gateway Development Ltd, the Assistant Director, Resources advised that the initial company structure was the most effective way to set up the company at the time due to not knowing if there would be future trading opportunities, but confirmed there were no other trading opportunities currently being pursued.

A Member queried if the fees paid to Companies House were paid through the accounts. The Assistant Director, Resources confirmed that all the companies were registered with Companies House.

The Leader of the Council queried if it would be pertinent to have two company directors of Green Gateway Trading Ltd rather than one, and was advised by the Assistant Director, Legal & Democratic that there was only a requirement for one director but advised that this was something that could be considered should the Leader wish this. The Leader advised that he felt it would be good practice to have more than one and requested that this opportunity be explored.

In response to a member query regarding what level of profit was expected this year, and what the expected profit would be for next year, the Assistant Director, Resources advised the company was only ever set up to achieve a small profit as the main objective of the company was for the Council to achieve cost saving and stated that any profits that the trading company made were taxable. The Member also queried if this work ever be brought back in house, to which the Assistant Director, Resources advised the Executive had commissioned a piece of work to look at all options for delivery in light of the Council's financial position. The Member followed by asking what would

happen to the assets of the company should it cease to exist, to which he was advised that the Council is the 100% shareholder of the company therefore they would have to take the appropriate financial advice if this occurred.

The Strategic Director also advised that a Local Authority Trading Company established under regulation 12 of the Public Contracts Regulations 2015 must transact business not less than 80% of its net annual turnover calculated over a three-year period for the Council itself. Following a Member query regarding this, the Strategic Director clarified that in the company's lifetime, the company could not carry out work for a Local Authority other than RDC that exceeded 20% of its net profit calculated over a three year period.

A Member queried if it would be possible for the company do work for the public such as hedge cutting, to which the Strategic Director advised that as a Local Authority Trading Company, the company could only work for public bodies and not private companies or private individuals.

A Member advised that Green Gateway Trading Ltd was set up following the failure of two other companies to deliver services, therefore, RDC decided to go down the road of self-provision.

In response to a question from a Member regarding what would happen to a LATCO in the event of a combined authority or Council merger, and what would happen to those that we provide external services to, the Assistant Director, Resources advised that there were protocols for this and new governance arrangements could be put in place where required. The Strategic Director advised that it was important to remember that a company exists in law as a separate legal entity distinct from its shareholders, therefore, if the Council ceased to exist due to a merger, there would be a sale transfer from RDC to the successor body, and the company would continue unless the shareholders agreed to dissolve the company.

RESOLVED

- (1) That the Annual Report of the Directors of Green Gateway (GM) Ltd, set out in exempt Appendix A, be noted.
- (2) That Angela Hutchings be appointed as a replacement director for Shaun Scrutton in Green Gateway Trading Ltd.

RECOMMENDED TO COUNCIL

- (1) That the accounts of the LATCOs for the financial year 2019/2020, set out in exempt Appendix B, be approved.

The meeting closed at 8.07 pm.

Chairman

Date

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