



# Cabinet Meeting

## 25 February 2014

<b>Report title</b>	i54 Management Company	
<b>Decision designation</b>	AMBER	
<b>Cabinet member with lead responsibility</b>	Councillor Peter Bilson Economic Regeneration and Prosperity	
<b>Key decision</b>	No	
<b>In forward plan</b>	No	
<b>Wards affected</b>	Bushbury North	
<b>Accountable director</b>	Tim Johnson, Education and Enterprise	
<b>Originating service</b>	Regeneration	
<b>Accountable employee(s)</b>	Robert Baldwin	Head of Service, Legal Services
	Tel	01902 554962
	Email	Robert.baldwin@wolverhampton.gov.uk
<b>Report to be/has been considered by</b>	NONE	

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### Recommendation(s) for action or decision:

The Cabinet is recommended to:

Approve the appointment of Nicholas Peter Edwards, Assistant Director for Regeneration as a Director to the Board of i54 Management Company and indemnify the employee in his role within the Company

## **1.0 Purpose**

- 1.1 To appoint a further Director to the Board of i54 Management Company Limited.

## **2.0 Background**

- 2.1 The development of i54 through a Joint Venture arrangement between this Council and Staffordshire County Council necessitates the establishment of a management company to manage the site once occupation commences. The i54 Management Company (“the Company”) was established on 26 July 2012 following approval by the Cabinet (Resources) Panel on 26 July 2011 as part of the approval process for the sale of land at i54. It is a company limited by shares with this Council and Staffordshire County Council as the only holder of the issued ordinary shares.
- 2.2 The Company is charged to manage, maintain and administer the common parts of the i54 Estate. It is intended to recover the costs of such maintenance and administration from the individual owners of the plots forming part of the Estate and once all plots have been disposed of to transfer shares in the Company to representatives of the individual plot owners and to appoint directors from the plot owners. The Company is currently administered by Bulleys, Chartered Surveyors on behalf of both Councils and is overseen by a Board of Directors, one Director from each Council.
- 2.3 The Company has so far appointed the following directors:
- Mr Steven Patrick Burrows of Staffordshire County Council
- Mr Frederick Charles Green of this Council who following his retirement from the Council in March 2013 resigned as a director of the Company on 28 March 2013.
- 2.4 Mr Nicholas Peter Edwards as the Assistant Director for Regeneration has been requested to act as a director of the Company in place of Charles Green to ensure this Council has a Director on the Board.

## **3.0 Options**

- 3.1 The Council could determine to not appoint the individual listed in the report. The current director of the company would then have to act alone in contravention of the articles of the Company.
- 3.2 Directors and Public Liability insurance has been obtained on behalf of the Company in respect of the activities of the Company and the lawful actions of the Directors in connection with the Company.

## **4.0 Financial implications**

- 4.1 The annual insurance cost of indemnifying the Assistant Director for Regeneration will be absorbed by the Management Company and recovered as an administration cost (as referred to in 2.2 above). As a result of this, a proportion of the insurance cost will be

apportioned to void plots and met equally by Staffordshire and Wolverhampton until all plots are occupied. The impact on Wolverhampton City Council's budget will, however, be minimal (typically less than £500 per annum) and will be met within existing Regeneration resources. [RT/14022014/W]

## **5.0 Legal implications**

- 5.1 It is a requirement of the Company's articles that the Council appoints a Director. In addition Article 6.8 of the Council's constitution reserves to the Council the appointment of representatives to outside bodies unless the appointment has been delegated by the Full Council. This authority is now delegated to Cabinet.
- 5.2 By virtue of the Local Government Act 2000 and the Local Authorities (Indemnities for Members and Officers) Order 2004 the Council are permitted to provide an indemnity where a Councillor or an employee acts as a director of a company at the request of the Council and therefore is acting in his capacity as a director. RB/14022014/A

## **6.0 Equalities implications**

- 6.1 There are no equalities implications arising from this appointment.

## **7.0 Environmental implications**

- 7.1 There are no environmental implications arising from this appointment.

## **8.0 Human resources implications**

- 8.1 This will only be relevant for some reports but will be significant in those cases.

## **9.0 Schedule of background papers**

Cabinet (Resources) Panel 26 July 2011-Inward Investment i54