

Classification: Private

Key Decision: No

Gravesham Borough Council

Report to: Cabinet

Date: 04 October 2021

Reporting officer: Stuart Bobby, Chief Executive and Michelle Batstone,
Corporate Change Manager

Subject: Rosherville Property Development Limited – Board Structure

Purpose and summary of report:

To provide the Cabinet with an update on the Board membership of Rosherville Property Development Limited and to seek authority to update the Board structure in line with the council's current management structure.

Recommendations:

Cabinet are asked to:

1. Note the information contained within the report.
2. Approve the revised Board Structure as set out in paragraph 2.5 of the report.
3. Agree for the Corporate Change Manager, in consultation with the Leader of the Executive, to notify the Board of Rosherville Property Development Limited and Rosherville Limited at the next Board meetings.

1. Introduction

- 1.1 At the meeting of Full Council on 17 December 2019, Members approved the formation of a Local Authority Trading Company (LATCo) and Rosherville Limited was duly registered as a trading company of GBC on 07 January 2020.
- 1.2 Full Council also provided delegated authority to the Chief Executive, in consultation with the Leader of the Executive, the Monitoring Officer and the Section 151 Officer take all necessary practical, legal and financial actions necessary in relation to the creation of the LATCo. This resulted in the *Articles of Association* for the company being put in place and formally adopted at the meeting of the Cabinet in February 2020.
- 1.3 This clearly set out that the Cabinet would have responsibility for a number of specific governance issues, which included approval of the business case for the establishment of any new subsidiary.
- 1.4 In line with this requirement, the business case for Rosherville Property Development Limited was presented to Cabinet in March 2020 and duly approved.

2. Rosherville Property Development Limited Board

- 2.1 In approving the business case for Rosherville Property Development Limited, the Cabinet also approved the formation of the Board with the following Gravesham Borough Council officers:
 - Director (Planning & Development)
 - Assistant Director (Communities)
 - Principal Accountant (Housing & Exchequer)
- 2.2 At the end of the 2020-21 financial year, the Director (Planning & Development) retired (with effect from 1 April 2021). As a result of this retirement, there was a vacant Director position within the company.
- 2.3 Since the retirement, the Board has been operating in line with the Articles of Association and has ensured that all Board meetings, and therefore decisions, have been quorate.
- 2.4 Following the retirement, Gravesham Borough Council reviewed the council's overall management structure and put in place a new management structure, which removed the Director (Planning & Development) post from the council's establishment, and introduced a new Assistant Director (Strategic Regeneration) post.
- 2.5 The council's restructure effectively removed the allocated post from the Board of Rosherville Property Development Limited and it is therefore necessary to review the Board structure to ensure that it remains fit for purpose.
- 2.6 As such, it is recommended that the role of Assistant Director (Strategic Regeneration) assumes the vacant post on the Rosherville Property Development Limited Board, so that the Board structure moving forwards will be as follows:
 - Assistant Director (Strategic Regeneration)
 - Assistant Director (Communities)
 - Principal Accountant (Housing & Exchequer)
- 2.7 Cabinet are asked to approve the revised Board structure for the Rosherville Property Development Board as set out above.

3. Next steps

- 3.1 The council has been successful in recruiting to the Assistant Director (Strategic Regeneration) post and the successful applicant is due to commence employment on 22 November 2021.
- 3.2 Subject to Cabinet approval of the Board structure set out in paragraph 2.6, it will be necessary to advise both the Board of Rosherville Property Development Limited and the Board of Rosherville Limited, in writing, about the appointment of the new Assistant Director (Strategic Regeneration) to the vacant Board position.

- 3.3 It is therefore recommended that authority is given to the Corporate Change Manager, in consultation with the Leader of the Executive, to notify the two company Boards as necessary, and make the required updates to Companies' House at the appropriate time.

4. BACKGROUND PAPERS

- 4.1 Background papers pertaining to this report are as follows:

- Report to Cabinet – 03 February 2020 – “*Rosherville Limited - Formation of the Board and Governance Arrangements*”
- Report to Cabinet – 23 March 2020 – “*Formation of a Local Authority Trading Company Subsidiary – Property Development Company*”

Anyone wishing to inspect background papers should, in the first place, be directed to Committee & Electoral Services who will make the necessary arrangements.

IMPLICATIONS	APPENDIX 1
Legal	<p>There are two key pieces of legislation which allow a local authority to trade in the services it provides:</p> <ul style="list-style-type: none"> - The Local Government Act 2003 which allows local authorities to trade in the ordinary day to day functions of the Council. - The Localism Act 2011 which allows local authorities to trade in any area (unless expressly prohibited or limited by statute).
Finance and Value for Money	<p>There are no financial implications resulting from this report. Directors of the trading companies do not receive any remuneration.</p>
Risk Assessment	<p>Continuing to leave the Rosherville Property Development Board with only two active Directors is a significant risk to the success of the company; if one Director is not available, no decision can be made. As such, appointing to the vacant Director post will mitigate this risk.</p>
Data Protection Impact Assessment	<p><i>A data protection impact assessment (DPIA) should be carried out at the start of any major project involving the use of personal data or if you are making a significant change to an existing process.</i></p> <p>a. Does the project/change being recommended through this paper involve the processing of personal data or special category data or criminal offence data? No</p> <p>b. If yes to question a, have you completed and attached a DPIA including Data Protection Officer advice? N/A</p> <p>c. If no to question b, please seek advice from your nominated DPIA assessor or the Information Governance Team at gdpr@medway.gov.uk. N/A</p>
Equality Impact Assessment	<p>a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community? If yes, please explain answer. No</p> <p>b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality? If yes, please explain answer. No</p> <p><i>In submitting this report, the Chief Officer doing so is confirming that they have given due regard to the equality impacts of the decision being considered, as noted in the table above</i></p>
Corporate Plan	<p>Objective 3 - Progress:</p> <p>An entrepreneurial authority; commercial in outlook and committed to continuous service improvement, underpinned by a skilled workforce and strong governance environment.</p>

IMPLICATIONS	APPENDIX 1
Climate Change	There are no specific climate change implications resulting from this report.
Crime and Disorder	There are no specific crime and disorder implications resulting from this report.
Digital and website implications	There are no specific digital and website implications resulting from this report. There will be a need to ensure Companies House is updated accordingly, once the new Assistant Director (Strategic Regeneration) has been formally appointed.
Safeguarding children and vulnerable adults	There are no specific safeguarding children and vulnerable adult's implications resulting from this report.