

# Business and Property Committee

Item No.....

<b>Report title:</b>	<b>Repton Property Developments Ltd – Articles of Association etc.</b>
<b>Date of meeting:</b>	<b>14 March 2018</b>
<b>Responsible Chief Officer:</b>	<b>Executive Director of Finance and Commercial Services</b>
<b>Strategic impact</b> Proposals in this report support Norfolk County Council priorities by focussing on key objectives of the Council's Asset Management Plan to pro-actively exploit the latent value of the property portfolio and release capital resources for other purposes. The creation of the capability for direct property development will support the Council's Norfolk Futures Strategy through commercialisation of assets to generate future income streams to support funding for service delivery and support towards a housing strategy.	

## Executive summary

In July 2017 Policy & Resources Committee (P&R) authorised the setting up of Repton Property Developments Limited, a company wholly owned by Norfolk County Council.

The point has now been reached to complete the formal procedures to establish the governance for the company, adopting suitable articles of association and formally register the Directors appointed by Council.

### Recommendations:

- 1. Business and Property Committee are asked to review and recommend Policy and Resources Committee adopt the proposed articles of association, delegations and reserved matters and the special resolution as detailed in the appendices.**
- 2. Business and Property Committee are asked to recommend Policy & Resources Committee nominate to Full Council David Dukes as the replacement County Council Officer Director.**

## 1.0 Introduction

- 1.1** Policy and Resources Committee at their meeting on 3 July 2017 resolved to agree to the establishment of Repton Property Developments Limited (Repton), a company wholly owned by Norfolk County Council (NCC).
- 1.2** To ensure the name for the company selected by Members was able to be used the new company was registered using the model articles of association provided by Companies House and the Head of Property registered as a single director.

- 1.3 Full Council at the meeting of 16 October 2017 resolved to appoint the following as Directors of the company:

<u>Position</u>	<u>Nomination</u>
County Councillor Director	Councillor Kiddie
County Councillor Director	Councillor Iles
County Council Officer Director	Simon George
County Council Officer Director	Fiona McDiarmid
County Council Officer Director	Harvey Bullen
County Council Officer Director	Al Collier
Non-Executive Director	To be recruited via advertisement
Non-Executive Director	To be recruited via advertisement

- 1.4 Business and Property Committee at their reconvened meeting 11 December 2017 agreed the outline business case for Repton.
- 1.5 The point has now been reached to complete the formal procedures to establish the governance for the company, adopting suitable articles of association and formally register the Directors appointed by Council.

## **2.0 Governance of Repton Property Developments Ltd**

- 2.1 Policy and Resources Committee act as the Shareholder on behalf of the County Council.
- 2.2 There are three key documents that are required to be adopted by Policy and Resources Committee acting as the shareholder. These are:
- The Articles of Association (copy **appendix 1**).
  - The Delegations & Reserved Matters (copy **appendix 2**).
  - Adoption of a special resolution (copy **appendix 3**).
- 2.3 The proposed articles of association will replace the model version that was used to establish the company.
- 2.4 Business and Property Committee are asked to review and recommend Policy and Resources Committee adopt the proposed articles of association, delegations and reserved matters and the special resolution as detailed in the appendices.
- 2.5 Subsequent to Full Council's appointment of directors for the company Simon George has stood down and the nominated County Council Officer Director is David Dukes, Economic Development Manager in Community and Environmental Services.
- 2.6 Business and Property Committee are asked to recommend Policy & Resources Committee nominate to Full Council David Dukes as the replacement County Council Officer Director.

### **3.0 Financial Implications**

- 3.1 There are no financial implication from the activity to complete establishing the governance for the new company.

### **4.0 Legal implications**

- 4.1 Legal processes around setting up a wholly-owned limited company are tried and tested with the County Council having set up similar companies in the past.

### **5.0 Issues, risks and innovation**

- 5.1 Any risks around finalising the governance for the new company were mitigated by obtaining expert legal advice.

### **6.0 Background**

- 6.1 There are several strands forming the strategic background to these proposals, namely:

- The overall Council's priorities under the Norfolk Futures Strategy of:
  - Safer Children and Resilient Families.
  - Promoting Independence for Vulnerable Adults.
  - Smarter Information and Advice.
  - Towards a Housing Strategy.
  - Digital Norfolk.
  - Local Service Strategy.
  - Commercialisation.
- Norfolk County Council Asset Management Plan 2016-19.
- The adoption of an updated property savings plan, that calls for £4.25m of savings for the next four years.
- The Norfolk One Public Estate Programme that is supporting the joint strategic exploitation of the combined public sector property estate.
- The medium term financial strategy includes commercialisation of NCC property assets as a priority to help diversify the Council's funding.

### **Officer Contact**

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