

NEWARK AND SHERWOOD DISTRICT COUNCIL

Minutes of the Meeting of **Shareholder Committee** held in the Room S1/S2, Castle House on Tuesday, 23 October 2018 at 10.00 am.

PRESENT: Councillor D Payne and Councillor D Staples

APOLOGIES FOR ABSENCE: Councillor D Lloyd (Chairman), Councillor P Handley and Councillor P Peacock

7 DECLARATIONS OF INTEREST BY MEMBERS AND OFFICERS AND AS TO THE PARTY WHIP

There were no declarations of interest.

8 DECLARATIONS OF ANY INTENTIONS TO RECORD THE MEETING

There were no declarations of intention to record the meeting.

9 MINUTES OF PREVIOUS MEETING

AGREED (unanimously) that the minutes of the meeting held on 29 March 2018 be approved as a correct record and signed by the Acting Chairman.

10 COMPANY PROGRESS REPORT

The Committee considered the report presented by the Policy & Projects Officer which set out the progress of Arkwood Developments Ltd. business activities.

The report set out the remit of the company and provided a full report of its progress together with key activities. In relation to paragraph 3.3, officers clarified that an external recruitment agency had been engaged to undertake the recruitment and appointment of the Non-Executive Director and would also be engaged to assist in the recruitment and appointment of the Managing Director. However, the intention was that day to day human resources matters would be carried out by the Council's Human Resources Team.

AGREED (unanimously) that:

- (a) the content of the reported be noted;
- (b) the provision of human resources services to Arkwood Developments Ltd. reflect the original intention as set out in the business case with routine human resources matters being dealt with by the Council's Human Resources Team but with specialist external human resources advice being sought where necessary and appropriate; and
- (c) the drawdown of £100,00 from the allocated budget be noted.

11 RISK MANAGEMENT PROFILE

The Committee considered the report presented by the Policy & Projects Officer which provided Members with the risk management profile for Arkwood Developments Ltd. The profile was developed in accordance with the Council's risk management process and it was produced in conjunction with the Council's Safety & Risk Management Officer. Paragraph 3.2 of the report set out the five main areas of risk with the full profile being attached as an appendix to the report.

In considering the report Members noted the importance of recognising the risks. A Member queried whether the recently announced changes to the HRA funding and market changes in house building had been assessed and included. In response, Officers advised that the recent specific changes had not been included at this stage but the profile would be regularly updated.

The Council's Director – Resources, who was in attendance at the meeting, stated that he was there in a dual capacity, acting also as the interim Managing Director for Arkwood Developments Ltd. He commented that the market had changed, noting that this was not just in relation to house prices. He stated that construction costs had also been affected and that there was a shortage of skilled workers such as brick layers and also a shortage of construction materials. He stated that, when appointed, the Non-Executive Director and Managing Director of Arkwood Developments Ltd. would bring with them their expertise and that the Business Case would be reviewed, revised and brought back to both the Shareholder Committee and the Company for approval. He reiterated that the Risk Register would be under constant review.

AGREED (unanimously) that the report be noted.

12 EXCLUSION OF PRESS AND PUBLIC

AGREED (unanimously) that under Section 100(A) of the Local Government Act 1972, the press and public be excluded from the meeting during discussion of this item of business on the grounds that it involves the likely disclosure of exempt information as defined in Paragraph 3 of Schedule 12A of the Act and that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

13 APPOINTMENT LETTER AND STATEMENT OF TERMS OF EMPLOYMENT - MANAGING DIRECTOR

The Committee considered the exempt report presented by the Policy & Projects Officer in relation to the appointment letter and terms and conditions of employment for the Managing Director of Arkwood Developments Ltd.

(Summary provided in accordance with 100C(2) of the Local Government Act 1972).

14 APPOINTMENT OF NON-EXECUTIVE DIRECTOR

The Committee considered the report presented by the Policy & Projects Officer which sought Members' approval for the appointment of Mark Stevenson to the post of Non-Executive Director and the terms and conditions of the post to Arkwood Developments Ltd.

Paragraph 3.0 of the report set out the remit of the Non-Executive Director and that the post was for a fixed period of 2 years. The appointment constituted a 'contract for services'.

It was noted that the Chairman of the Shareholder Committee had been involved with the recruitment of Mr. Stevenson with the Chief Executive advising that his working background enabled him to know, in detail, how the development industry carried out their operations.

AGREED (unanimously) that:

- (a) the appointment of Mark Stevenson to the post of Non-Executive Director to Arkwood Developments Ltd. be approved; and
- (b) the terms and conditions of appointment of the Non-Executive Director of Arkwood Developments Ltd., as set out in the report, be approved.

Meeting closed at 10.40 am.

Chairman