

Sutton Shareholdings Board

Wednesday, 14 June 2017

6.30 pm at the

Civic Offices, St Nicholas Way, Sutton SM1 1EA



SECOND DISPATCH

To all members of Sutton Shareholdings Board:-

The following papers, which were not available for dispatch with the agenda, are attached. Please bring them with you to the meeting:-

10. APPOINTMENT DIRECTOR TO SUTTON DECENTRALISED ENERGY NETWORK LIMITED (Pages 1 - 4)

This report is requesting the approval of the appointment of a new Director and the appointment of an existing director into the post of Managing Director of Sutton Decentralised Energy Network Limited (SDEN).


Niall Bolger
Chief Executive
9 June 2017

Enquiries to: Alexa Coates, Head of Committee and Management Support Tel: 020 8770 5094 | Email: alexa.coates@sutton.gov.uk

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Report to:	Sutton Shareholdings Board	Date:	14 June 2017
Report title:	Appointment Director to Sutton Decentralised Energy Network Limited		
Report from:	Mary Morrissey, Strategic Director of Environment, Housing and Regeneration		
Ward/Areas affected:	Borough Wide		
Chair of Committee/Lead Member:	Councillor Simon Wales, Chair of the Sutton Shareholdings Board and Councillor Jayne McCoy, Chair of Housing, Economy and Business Committee		
Author(s)/Contact Number(s):	Mandy Cherrington, Director – Sutton Decentralised Energy Network Limited, 020 8770 5530		
Corporate Plan Priorities:	<ul style="list-style-type: none"> • An Open Council • A Green Council • A Fair Council • A Smart Council 		
Open/Exempt:	Open		
Signed:		Date:	9 June 2017

1. Summary

- 1.1 This report is requesting the approval of the appointment of a new Director and the appointment of an existing director into the post of Managing Director of Sutton Decentralised Energy Network Limited (SDEN).

2. Recommendations

The Shareholding Board is recommended to:

- 2.1 Approve the appointment of Christopher Rhodes as Director of Sutton Decentralised Energy Network Limited.
- 2.2 Approve the appointment of Amanda Cherrington as Managing Director of Sutton Decentralised Energy Network Limited.

3. Background

- 3.1 Simon Woodward, the previous Managing Director of SDEN, resigned as director on 24 April 2017. Following his resignation steps have been taken to recruit a new director.



- 3.2 Christopher Rhodes has been recommended as a Director of SDEN by the Opportunity Sutton Limited (OSL) Board, due to his experience in both the public and private sector in previous roles. In addition Christopher has extensive experience of commercial negotiations with both the private and public sectors.
- 3.3 Amanda Cherrington has been recommended as the Managing Director of SDEN by the OSL Board, due to her experience as a Director of SDEN since its formation in 2016. In addition, Amanda has extensive experience in commercial negotiations with heat suppliers and purchasers.
- 3.4 The appointment of Company Directors is a matter reserved to the shareholder.

4. Impacts and Implications

Financial

- 4.1 There are no financial implications arising from these proposed appointments.

Legal

- 4.2 Due to Simon Woodward's resignation from the Board of Directors for SDEN the Directors are unable to meet quorum and are therefore unable to make decisions or undertake business transactions for SDEN.
- 4.3 In accordance with article 13.2 of SDEN's articles of association quorum for the transaction of business of the Directors shall be three. Article 19 of SDEN's Articles of Association also states that there should be a minimum of three Directors' on the board.
- 4.4 Article 13.3 of SDEN's Articles of Association states that in the event that the total number of Directors is less than the quorum required the Directors' must not take any decision other than to request that the Parent appoints new Directors until quorum is reached.
- 4.5 The Directors' of SDEN made a request to their Parent Company, OSL, in accordance with their Articles of Association.
- 4.6 The Board of Directors for OSL agreed, by written resolution, to appoint a director for SDEN and agreed with SDEN's recommendations to appoint Christopher Rhodes as director for SDEN and to appoint Amanda Cherrington into the role of Managing Director.
- 4.7 The appointment of directors for SDEN by OSL is reserved matter and requires approval by the Shareholder.



5. Lateness and Urgency

- 5.1 This report is late due to the resignation of the previous SDEN Limited Managing Director, Simon Woodward as a consequence of IR35 implications. Due the resignation, the SDEN Board is inquorate and is therefore unable to make decisions. This is affecting SDEN ability to operate commercially.

6. Appendices and Background Documents

Appendix letter	Title
	None

Background documents
NA

Audit Trail		
Version		Date: 08 June 2017
Consultation with other officers		
Finance	Yes	Lyndsey Gamble
Legal	Yes	Laiping Man
Equality Impact Assessment required? (see intranet guidance)	No	N/A

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