

SUTTON SHAREHOLDINGS BOARD**8 March 2017 at 6.30 pm**

MEMBERS: Councillor Simon Wales (Chair), Councillor Jayne McCoy (Vice-Chair) and Councillors Neil Garratt and Sunita Gordon

ABSENT Councillor Daniel Sangster

29. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Daniel Sangster.

30. DECLARATIONS OF INTEREST

There were no declarations of interest.

31. ANY ITEMS THE CHAIR DEEMS URGENT

The chair accepted the SES Ltd - Managing Director remuneration report as late and urgent for the reasons set out in the report.

32. MINUTES

The minutes of the meeting held on 4 January 2017 were agreed as a correct record of the meeting and signed by the chair.

33. SUTTON LIVING BUSINESS PLAN ANNUAL REVIEW

The Managing Director - Sutton Living introduced the report which outlined proposed changes to the Sutton Living business plan. Members asked whether the long term aim of the company would be to develop a portfolio of properties which the company would continue to own. The Managing Director confirmed this was a key part of the long term strategy, but outright sales and shared ownership models would be considered as this would have an impact on the ability of residents to purchase homes. The strategic Director - Resources confirmed that the financial model previously agreed was primarily focused on developing assets for rental purposes.

Members commented that a key aim of the company was to provide a range of affordable housing options for residents and that sometimes there is a balance between renting and selling property to generate further revenue to provide more housing.

Mix of types of property - meet planning requirements for mix, for rental 2 bed 4 person suited to rental. Larger properties more suited for single family dwelling.. Mix will vary according to planning requirements of each scheme.

Resolved

That the revised Sutton Living business plan as attached in Appendix A to the report be approved, so that the Company can pursue options for development, acquisition and refurbishment in line with this plan.

34. SUTTON LIVING PERFORMANCE REVIEW

The Executive Head of Housing and Regeneration invited questions from members.

Members asked questions about the progress made against Lodge Place. As members wished to discuss some of the aspects of negotiations between Sutton Living and the agent the chair moved that the press and public were excluded from the meeting.

Resolved

That the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in paragraph 3 of Schedule 12A of the Local Government Act 1972.”

Following discussions members re-opened the meeting to the press and public.

Resolved

That the performance update set out in section 3 of the report, be noted.

35. SDEN PERFORMANCE UPDATE

The Head of Economic Renewal and Regeneration introduced the report.

Members asked questions about when the final details of the heat purchase and supply agreements will be made public. Officers advised that delegated authority had been given to the Strategic Director, Environment, Housing and Regeneration to sign off the agreements and that decision was expected to be taken in March, with the decision being made public shortly after that. However, officers pointed out that prices agreed (the price paid to Viridor for heat and connection charges) must be commercially sensitive so would unlikely be disclosed. The price residents pay for heat would become public knowledge as residents were notified. Members requested that they were informed of the price residents would be paying rather than waiting to get this information from residents. Officers advised that this could be included in the next performance report.

Resolved

1. That the performance update contained in the Sutton Decentralised Energy Performance Report as set out at Appendix A to the report be noted.
2. That the Sutton Decentralised Energy Network April-September 2017 Business Plan as set out at Appendix B to the report be approved.

36. SES LTD - MANAGING DIRECTOR REMUNERATION

The Head of Pupil Based Commissioning introduced the report. Members asked how the package varied from officers appointed at Executive Head level and were advised the salary is higher than the lowest level for an Executive Head. There is also no incremental salary increase for the managing director role and a performance related pay element which differs to that offered to Executive Heads.

Members of the committee questioned how the salary packaged compared to positions outside of Sutton. Officers advised that the package was thought to be a fair reflection of the market rate. Officers advised that at a meeting of the B shareholders it had been suggested that the salary be lowered with increased performance related pay elements. Members opted not to change the recommendation put forward by officers.

Resolved

1. That the remuneration package for the Managing Director post be agreed consisting of:
 - Basic salary of £90,000 per annum
 - A performance-related bonus element of up to 10% to be determined by the Board on an annual basis. Bonus increments to be agreed by the Board.
 - An annual salary increase, determined by the Board in its sole discretion based on the Employee's achievement of the Personal Performance Targets and in line with the performance-related bonus element. Any increase shall be limited to a maximum of 3% and in determining the increase the Board will take account of annual salary increases across the whole staff group.
 - 33 days' annual leave
 - Relocation package of up to £8,000 for accommodation costs (company policy being in line with LB Sutton policy)
2. That authority be delegated to the Council's Authorised Officer (Kieran Holliday) to exercise the Council's voting rights to this effect.

The meeting ended at 7.16 pm

Chair:

Date:

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