

SUTTON SHAREHOLDINGS BOARD**12 September 2018 at 6.30 pm**

MEMBERS: Councillor Sunita Gordon (Chair), Councillor Jayne McCoy (Vice-Chair) and Councillors Trish Fivey, Eric Allen and Tim Crowley

10. APOLOGIES FOR ABSENCE

There were no apologies for absence.

11. DECLARATIONS OF INTEREST

No declarations of interest were made.

12. ANY ITEMS THE CHAIR DEEMS URGENT

No urgent items were raised.

13. MINUTES

RESOLVED: The minutes of the meeting held on 27 June 2018 were approved as a correct record and signed by the Chair.

14. REVIEW OF LBS COMPANIES - GOVERNANCE ARRANGEMENTS

Jessica Crowe, Monitoring Officer, presented the report, referring to the establishment of a Task and Finish group on this subject in February 2018.

Councillor Tim Crowley welcomed the work of the Task and Finish group. A concern was raised with regards to Council Officers acting as Managing Directors of companies and whether they are sufficiently protected as such. The Monitoring Officer referred to indemnification by the Council and committed to seek clarification from the legal department for circulation.

RESOLVED: that

1. The Sutton Shareholdings Board's amended terms of reference be recommended to Council, via Strategy and Resources Committee, as a constitutional amendment detailed in Appendix A.

2. The Code of Practice for the governance of council interests in companies be approved as detailed in Appendix B.
3. The Ethical Walls Policy be noted as detailed in Appendix C.
4. It be agreed for the operation of this Code of Practice, and the authority's performance against it, to be included in the Annual Governance Statement reported to the Audit and Governance Committee.
5. It be recommended to Council, via Strategy and Resources Committee, that authority be delegated to the Monitoring Officer to make any consequential amendments to the Council's Constitution arising from these recommendations.
6. It be agreed that the need for further Independent Non-Executive Director ('NED') appointments be reviewed across all Council companies to ensure from the shareholder perspective that all companies have sufficient skills, expertise and experience on their company boards.

15. SUTTON LIVING PERFORMANCE UPDATE

Mike Kirk, Managing Director - Sutton Living, presented the report.

Members enquired if day-to-day expenses could be met on working capital and this was confirmed, but that long-term asset growth was sought as well as repayment of debt. It was also discussed whether investment could be sought from the Council's pension fund. Lyndsey Gamble, Head of Investment Risk and Commercial Finance, referred to a defined investment strategy of the pension fund of which residential property was a part.

The motion to exclude press and public was approved, so that the financial information could be presented by the Head of Investment Risk and Commercial Finance in closed session.

RESOLVED: that the performance update set out in section 4 and actions proposed to deliver projects by the Company, including seeking alternative funding opportunities and mitigating development risk, be noted.

16. SUTTON DECENTRALISED ENERGY NETWORK BUSINESS PERFORMANCE UPDATE

Lyndsey Gamble, Director of SDEN, presented the report.

The motion to exclude press and public was approved, so that the financial information could be presented by the Director in closed session.

RESOLVED: that

1. The performance update contained in the Sutton Decentralised Energy Network Performance Report in Appendix A be noted.
2. The Sutton Decentralised Energy Network Risk Register in exempt Appendix B be noted.
3. The Sutton Decentralised Energy Network Budget Variance for Q1 2018/19 in exempt Appendix C be noted.

The meeting ended at 7.15 pm

Chair:

Date:

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