

# Appointment of LATCo Board Member

Cabinet Member for Leisure, Parks & Major Projects

Date: 29 August 2023

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Key Decision? NO

Local Ward Members N/A



## Cabinet Member Decision

### 1. Executive Summary

- 1.1 The Council operates a Local Authority Trading Company (LATCo) to support and enable transformation and enable new business opportunities.
- 1.2 The LATCo operates with a Board of Directors and a new appointment to this Board is required following a resignation.
- 1.3 The Council is the Shareholder for the LATCo and therefore is required to approve any appointment of Board Director.

### 2. Recommendations

- 2.1 To appoint Councillor Alex Farrell as Director of Lichfield West Midlands Traded Services Ltd.

### 3. Background

- 3.1 The Authority created a LATCo in September 2019 originally called Lichfield Housing Limited which changed to Lichfield West Midlands Traded Services Ltd (LWMTS) in March 2022.
- 3.2 Directors of LWMTS are appointed by the Council as shareholder. Unless the Council decides otherwise, the number of Directors shall not be less than three or more than seven. This is stated in the Company's Article of Association
- 3.3 There were three Directors – Simon Fletcher, Kerry Dove and Cllr Iain Eadie.
- 3.4 Cllr Iain Eadie has recently resigned from the Company as a Director after ceasing to be a Member of the authority, leaving the Board under the required number.
- 3.5 It is proposed that Cllr Alex Farrell be appointed as a Director of LWMTS bringing the total number of Directors back to three.
- 3.6 The appointment can be made by the Cabinet Member for Leisure and Parks who has delegated authority to make shareholder decisions on behalf of the Cabinet.

#### Alternative Options

1. Do not appoint – however the Board of Directors would be operating against the Article of Association of the LATCo which required three Directors.
2. Appoint another person as Director.

#### Consultation

1. The current Directors have agreed the proposed appointment.

Financial Implications	1.1. There are no financial burdens. The Article of Association state that <i>Subject to Article 28.3 and Article 28.5 a Director who is not a Councillor or a Council Officer may be paid such fee as the Shareholder may from time to time determine by ordinary resolution.</i> This means as the proposed new Director is an Officer of the Council, no fee would be required.
Approved by Section 151 Officer	Yes

Legal Implications	1. Not being compliant with the approved Article of Association by not having the correct number of Directors would result in any decision or action of the Board being invalid
Approved by Monitoring Officer	Yes

Contribution to the Delivery of the Strategic Plan	Being Commercial
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Equality, Diversity and Human Rights Implications	1. Equality and Diversity have been considered when proposing new appointments.
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Crime & Safety Issues	None
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Environmental Impact	None
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GDPR / Privacy Impact Assessment	None
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	Risk Description & Risk Owner	Original Score (RYG)	How We Manage It	Current Score (RYG)
A	Not being compliant with the Article of Association	Likelihood: Yellow Impact: Yellow Severity of Risk: Red	To ensure there is the minimum number of Directors on the Board of the LATCo	Likelihood: Green Impact: Green Severity of Risk: Yellow
B				

None	Background documents Any previous reports or decisions linked to this item
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None

**Relevant web links**

Any links for background information which may be useful to understand the context of the report