

SCHEDULE OF ITEMS RECOMMENDED FROM COMMITTEES AND OTHER MEMBER BODIES

Committee: Council

Date: 7 January 2016

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[Q159]

Member Body	Report No.
<p>1. ASSET DEVELOPMENT COMMITTEE – 30 SEPTEMBER 2015</p> <p><u>THE ROLE OF THE ASSET DEVELOPMENT COMMITTEE AND THE LOCAL AUTHORITY TRADING COMPANY (LATC)</u></p> <p>The Committee considered a report, which outlined the future role of Asset Development Committee in relation to the establishment and operation of the Local Authority Trading Company (LATC).</p> <p>The Chief Executive advised the Committee that a number of issues relating to the Local Authority Trading Company were being considered for reporting to Council in January. Part of that was the future role of this Committee, as it would be the shareholder committee on behalf of the Council. This Committee had been very active in identifying and delivering Council sites. A number of those would be appropriate to transfer to the Trading Company, which would act as the developer, and the Committee would continue to do this. To achieve good value, flexibility to procure works locally and to ensure quality developments, the Committee would provide sites with detailed planning permission before transferring. This would let the Council be specific about the type of developments it would allow but would give the Trading Company some flexibility to award smaller contracts to local builders. Transfer would then occur at the highest value prior to development. Although this would reduce the added value for the Trading Company, it would help reduce the tax burden. It was anticipated that this role for the Committee would increase.</p> <p>Another responsibility for this Committee would be for it to be the designated shareholder committee for the Council.</p>	<p>Q82 (attached at Appendix A)</p>

This meant that the Committee would monitor the Trading Company and the Committee was in the perfect position to do this.

The revised Terms of Reference, as Appendix 1, covered these important roles and would have to be recommended to full Council.

Councillor Lorna Dupré wanted to ensure that there was a proper separation between the Committee and members of the Trading Company Board at both Member and officer levels. This had not been made clear within the report. Reference had also been made in the revised Terms of Reference about urgent matters delegated to the Chief Executive and other officers. It was suggested that in paragraph 5.2 the words “or any matter under 3.6” be added to the third paragraph.

The Chief Executive explained that the delegation would allow other Directors to take urgent decisions. Thought had been given to his role when the Committee would scrutinise the Trading Company and in those meeting the lead officer role would be taken by the Director (Regulatory Services) instead. The Committee would meet on those occasions only to discuss Trading Company matters.

The Chairman adjourned the meeting at this point, at 4:29pm, to take advice from the Chief Executive and seek clarification from Councillor Dupré.

The meeting reconvened at 4:39pm.

The Chief Executive reminded the Committee of the concerns about delegations to officers over urgent decisions. This should be accepted in principle but further work on the Terms of Reference would be needed to clarify the situation. An amendment to the recommendation was then made: that the words “subject to revisions to the scheme of delegation with reference to paragraphs 5.1 and 5.2 in the terms of reference in relation to 3.6” be added.

Councillor Mathew Shuter questioned what would happen in the event that the designated Leader and Deputy Leader were not able to serve on the Trading Company Board. The Chief Executive stated that the matter would have to be referred to full Council to amend the articles of association. It would be a matter for the Trading Company and the Council to decide.

The revised recommendation was put to the Committee and, upon being put to the vote, was declared carried.

It was resolved to RECOMMEND TO COUNCIL in January 2016:

That the revised terms of reference of the Committee as detailed in Appendix 1, subject to revisions to the scheme of delegation with reference to paragraphs 5.1 and 5.2 in the terms of reference in relation to 3.6, be approved. (An amended Appendix 1 is attached containing the revisions to the scheme of delegation with reference to paragraphs 5.1 and 5.2 highlighted, as requested in this recommendation.)

PLEASE NOTE: subsequent to the meeting of Asset Development Committee, two further issues have arisen as follows:

- An amendment to Council Procedure Rule 27.4 in the Constitution is required to enable the Lead Officer for the Shareholder Committee and not the Chief Executive to call Extraordinary or Special meetings of the Shareholder Committee and to request the attendance of the Chairman and Managing Director of the LATC at such meetings. This will be undertaken in accordance with the delegation to the Monitoring Officer in the preceding report to Council on the LATC and the revised wording is attached at Appendix 2.
- Councillors James Palmer and Charles Roberts will no longer be able to serve as Substitute Members of Asset Development Committee, due to the potential conflict of interest with their new role on the LATC, and have been replaced as substitutes on the Committee by Councillors Lis Every and Julia Huffer under the officer delegation to the Democratic Services Manager to make minor in-year changes to committee memberships within the agreed proportionality at the request of Group Leaders.