

MID SUFFOLK DISTRICT COUNCIL

TO: Annual Council	REPORT NUMBER: MC/23/5
FROM: Leader of the Council	DATE OF MEETING: 22 May 2023
OFFICER: Emily Atack – Director Assets and Investments	

APPOINTMENT OF DIRECTORS TO THE BOARD OF MSDC (SUFFOLK HOLDINGS) LTD

1. PURPOSE OF REPORT

- 1.1 This report proposes the election of directors, to the Board of MSDC (Suffolk Holdings) Ltd to fill posts which have become vacant following the recent elections and resignations from the Board. This will maintain the resilience of the Board and mitigate the risks of the Board being unable to form a quorum and consequently unable to act. The company's Articles of Association state that there must be a minimum of two directors to form a quorum.

2. OPTIONS CONSIDERED

- 2.3 The Board has four vacancies following the elections and a minimum of two new directors must be appointed therefore no further options were considered.

3. RECOMMENDATION

- 3.1 That Council approve the appointment of Cllr Austin Davies, Cllr John Matthissen, Cllr Colin Lay and Cllr Richard Winch as Directors of MSDC (Suffolk Holdings) Ltd.

REASON FOR DECISION

- 3.2 To maintain Board resilience, address vacant directorships and ensure that Board decisions can continue to be made.

4. KEY INFORMATION

- 4.1 At its meeting on 19th March 2019, Council agreed that the Board of MSDC (Suffolk Holdings) Ltd should consist of four elected members appointed as Directors by the shareholder. The Holding Company Articles of Association state that Directors will cease to be Directors of the company if they are no longer Councillors for the Shareholding authority.
- 4.2 Following the recent local elections vacancies have arisen on the Board of MSDC (Suffolk Holdings) Ltd.
- 4.3 A skills audit is required to be completed by all Councillors seeking to take on Directorships with the Council owned companies. Councillors will complete a skills assessment, and training will be provided to ensure directors have the necessary skills for the roles.

5. LINKS TO JOINT STRATEGIC PLAN

- 5.1 A resilient and robust board of MSDC (Suffolk Holdings) Ltd will contribute to the delivery of the Council's strategic objectives.

6. FINANCIAL IMPLICATIONS

The appointment of new Councillor Directors has no financial implications.

7. LEGAL IMPLICATIONS

8. Birketts are appointed by the Holding Company and will assist the Holding Company updating its statutory books as appropriate.

9. RISK MANAGEMENT

- 9.1 The key risks associated with this report are set out below:

Risk Description	Likelihood	Impact	Mitigation Measures
The board of MSDC (Suffolk Holdings) Ltd may not be a quorum meaning board resolutions cannot be sought. This in turn could delay progress and impact significant decisions for both the MSDC (Suffolk Holdings) Ltd and its trading companies.	3 (Probable)	3 (Bad)	To maintain the resilience to the board of MSDC (Suffolk Holdings) Ltd by appointing additional directors.

10. CONSULTATIONS

The Chief Executive, Deputy Chief Executive, Monitoring Officer, Director of Assets & Investments and the Leader of the Council have been consulted.

11. EQUALITY ANALYSIS

- 11.1 Equality Impact Assessment (EIA) is not required as the contents of the report will have no impact on persons covered by the protected characteristics - age; disability; gender reassignment; marriage and civil partnership; pregnancy and maternity; race; religion or belief; sex; sexual orientation.

12. ENVIRONMENTAL IMPLICATIONS

- 12.1 An assessment of environmental impact is not considered relevant to the subject matter contained within this report.

13. APPENDICES

None.

14. BACKGROUND DOCUMENTS

None.