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Contact Officer:

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Democratic Services & Elections Manager
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21 December 2021

Dear Councillor

Your attendance is requested at a meeting of the **EXECUTIVE SHAREHOLDER AND TRUSTEE COMMITTEE** to be held in the Council Chamber, Millmead House, Millmead, Guildford, Surrey GU2 4BB on **TUESDAY, 4 JANUARY 2022** at 6.00 pm.

Yours faithfully

Tom Horwood
Joint Chief Executive
Guildford & Waverley
Borough Councils

MEMBERS OF THE EXECUTIVE SHAREHOLDER AND TRUSTEE COMMITTEE

Chairman:

Councillor Joss Bigmore (Leader of the Council)

Vice-Chairman:

Councillor Julia McShane (Deputy Leader of the Council)

Councillor John Redpath

Authorised Replacement Members:

Councillor Tim Anderson

Councillor Tom Hunt

Councillor John Rigg

Councillor James Steel

Councillor Cait Taylor

WEBCASTING NOTICE

This meeting will be recorded for live and/or subsequent broadcast on the Council's website in accordance with the Council's capacity in performing a task in the public interest and in line with the Openness of Local Government Bodies Regulations 2014. The whole of the meeting will be recorded, except where there are confidential or exempt items, and the footage will be on the website for six months.

If you have any queries regarding webcasting of meetings, please contact Committee Services.

QUORUM 3



THE COUNCIL'S STRATEGIC FRAMEWORK (2021- 2025)

Our Vision:

A green, thriving town and villages where people have the homes they need, access to quality employment, with strong and safe communities that come together to support those needing help.

Our Mission:

A trusted, efficient, innovative, and transparent Council that listens and responds quickly to the needs of our community.

Our Values:

- We will put the interests of our community first.
- We will listen to the views of residents and be open and accountable in our decision-making.
- We will deliver excellent customer service.
- We will spend money carefully and deliver good value for money services.
- We will put the environment at the heart of our actions and decisions to deliver on our commitment to the climate change emergency.
- We will support the most vulnerable members of our community as we believe that every person matters.
- We will support our local economy.
- We will work constructively with other councils, partners, businesses, and communities to achieve the best outcomes for all.
- We will ensure that our councillors and staff uphold the highest standards of conduct.

Our strategic priorities:

Homes and Jobs

- Revive Guildford town centre to unlock its full potential
- Provide and facilitate housing that people can afford
- Create employment opportunities through regeneration
- Support high quality development of strategic sites
- Support our business community and attract new inward investment
- Maximise opportunities for digital infrastructure improvements and smart places technology

Environment

- Provide leadership in our own operations by reducing carbon emissions, energy consumption and waste
- Engage with residents and businesses to encourage them to act in more environmentally sustainable ways through their waste, travel, and energy choices
- Work with partners to make travel more sustainable and reduce congestion
- Make every effort to protect and enhance our biodiversity and natural environment.

Community

- Tackling inequality in our communities
- Work with communities to support those in need
- Support the unemployed back into the workplace and facilitate opportunities for residents to enhance their skills
- Prevent homelessness and rough-sleeping in the borough

AGENDA

ITEM NO.

1 APOLOGIES FOR ABSENCE AND NOTIFICATION OF REPLACEMENTS

2 DISCLOSURE OF INTERESTS

In accordance with the Councillors' Code of Conduct, a councillor is required to disclose at the meeting any disclosable pecuniary interest (DPI) that they may have in respect of any matter for consideration on this agenda. Any councillor with a DPI must not participate in any discussion or vote regarding that matter and they must also withdraw from the meeting immediately before consideration of the matter.

If that DPI has not been registered, the councillor must notify the Monitoring Officer of the details of the DPI within 28 days of the date of the meeting.

Councillors are further invited to disclose any non-pecuniary interest which may be relevant to any matter on this agenda, in the interests of transparency, and to confirm that it will not affect their objectivity in relation to that matter.

3 MINUTES (Pages 5 - 6)

To confirm the minutes of the meeting of the Committee held on 23 November 2021 as a correct record.

4 GUILDFORD BOROUGH COUNCIL HOLDINGS APPOINTMENT OF DIRECTORS (Pages 7 - 10)

Key Decisions:

Any item on this agenda that is marked with an asterisk is a key decision. The Council's Constitution defines a key decision as an executive decision which is likely to result in expenditure or savings of at least £200,000 or which is likely to have a significant impact on two or more wards within the Borough.

Under Regulation 9 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, whenever the Executive intends to take a key decision, a document setting out prescribed information about the key decision including:

- the date on which it is to be made,
- details of the decision makers,
- a list of the documents to be submitted to the Executive in relation to the matter,
- how copies of such documents may be obtained

must be available for inspection by the public at the Council offices and on the Council's website at least 28 clear days before the key decision is to be made. The relevant notice in respect of the key decisions to be taken at this meeting was published as part of the Forward Plan on 7 December 2021.

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EXECUTIVE SHAREHOLDER AND TRUSTEE COMMITTEE

23 November 2021

* Councillor Joss Bigmore (Chairman)

* Councillor James Steel (Vice-Chair)

*Councillor John Redpath

*Present

Action By

16. APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTES

There were no apologies for absence.

17. DISCLOSURE OF INTERESTS

There were no disclosures of interest.

18. MINUTES

The minutes of the meeting held on 24 August 2021 were confirmed as a correct record. The Chairman signed the minutes.

19. STRUCTURAL REPAIRS TO FOXENDEN TUNNELS

Foxenden Tunnels was a large World War II air raid shelter located beneath Allen House Grounds and accessed from the lowest level of the adjacent York Road multi-storey car park. Having been sealed up for many years the steel structure had deteriorated and had become unsafe. A future plan for the Tunnels was sought.

Darren Burgess

A capital budget of £110,000 for repairs had been approved in 2019 but following specification and tendering in respect of the required works, was found to be an inadequate sum. As a result of the repair work being more complicated than originally foreseen and the delays to addressing the matter due to the impact of the Covid-19 pandemic, the cost to implement all of the work was now in excess of £300,000.

The Committee sought to clarify the quoted costs in the report with regard to the loss of opportunity for income from the parking spaces which would need to be given up should a regular access to the Tunnels be required and the costs of the annual inspection. Whilst there was no officer present to corroborate the parking income figures, the meeting heard that the cost of the surveyors' inspections must include the provision of lighting and ventilation to the network of tunnels which did increase the cost significantly.

The Committee was minded to amend the timescale in respect of the review of the decision from the recommended five years to a shorter period of three years in the event that the Council was in a different financial position.

The Committee therefore

RESOLVED: That the Foxenden Tunnels be mothballed, subject to undertaking annual inspections to ensure its continuing safety, and that the position be reviewed in three years' time.

Reason:

The decision was based on a financial analysis of the cost of repairs, the likely rental income and potential loss of income from parking to provide safe access to support a commercial letting.

The meeting finished at 6.12 pm

Signed

Date

Chairman

Executive Shareholder and Trustee Committee Report

Ward(s) affected: All

Report of Director of Resources

Author: Claire Morris

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Lead Councillor responsible: Joss Bigmore

Tel: 07974 979369

Email: joss.bigmore@guildford.gov.uk

Date: 4 January 2022

Guildford Borough Council Holdings: Appointment of Directors

Executive Summary

On 29 November 2021 the Board of Directors for Guildford Borough Council Holdings Limited (the "Holding Company") called a meeting whereby Tom Hunt, the only Director, made the decision to request that the Council appoint further Directors in accordance with the Holding Company's Articles of Association.

Recommendation to Committee

That the Committee:

1. Appoints the following Directors to the Board of Guildford Borough Council Holdings Limited for the terms specified:
 - a. Andrew Hodges for a term expiring on 27 April 2024
 - b. Dennis Paul for a term expiring on 28 April 2024
 - c. Ian Doyle for a term of 4 years expiring on 3 January 2026
2. Ratifies all decisions made by the Company over the past 18 months.

Reason(s) for Recommendation:

To fulfil the Council's corporate governance duties in respect of its subsidiary company.

Is the report (or part of it) exempt from publication? No

1. Purpose of Report

- 1.1 This report presents details of the nominations for appointment of the Directors for the Holding Company.

2. Strategic Priorities

- 2.1 The Company supports all the Council's strategic priorities set out in the framework and at present particularly supports homes and jobs and providing and facilitating housing that people can afford.

3. Background

- 3.1 On 23 February 2016, the Executive resolved to establish Guildford Borough Council Holdings Limited (the "Company"). The Council is the sole shareholder of the Company.
- 3.2 Directors are appointed for a term of four years and are then automatically retired, unless they are reappointed in accordance with the Articles of Association. The Company did not reappoint the Directors and therefore the only Director currently appointed is Tom Hunt.
- 3.3 Under Article 13.4.1 of the Company's Articles of Association, where there is no quorum of Directors to make decisions, the remaining Directors may make a decision to request that the Council appoints Directors. At a Board meeting on 29 November 2021 the Director made a decision to request that the following Directors be appointed:
- a. Andrew Hodges for a term expiring on 27 April 2024
 - b. Dennis Paul for a term expiring on 28 April 2024
 - c. Ian Doyle for a term of 4 years expiring on 3 January 2026
- 3.4 The Council as the sole shareholder of the Company is the ultimate owner of the Company. The duty of any company director is to act in the best interests of the company for the benefit of its shareholders as a whole. An elected member on a board of directors therefore has a statutory duty to promote the success of the company and to exercise independent judgement in the same manner as any other director. Under the Companies Act 2006, a director must exercise the care, skill and diligence, which would be exercised by a reasonably diligent person (the full test is set out in more detail within the Companies Act; there is both an objective test and a subjective test).
- 3.5 As the terms of the Directors have expired there is a possibility that decisions have been taken when the Company Board was not quorate. The decisions that have been made over the last 18 months should therefore be ratified by the Committee on behalf of the Council as the sole shareholder as good practice to ensure there can be no challenge to those decisions as taken when not quorate.

4. Consultations

- 4.1 No consultations have been undertaken in relation to this report.

5. Key Risks

- 5.1 Without a quorum at Board Meetings key decisions by the Directors cannot be made. Therefore, appointment of Directors should be resolved at this Committee meeting.
- 5.2 When appointing Directors, the duty of any company director is to act in the best interests of the company for the benefit of its shareholders as a whole. An elected member on a board of directors therefore has a statutory duty to promote the success of the company and to exercise independent judgement in the same manner as any other director. Council Officers and Councillors need to ensure they carry out their appointment in line with this duty. If not, Directors could become liable for their breach of duty to the Company.

6. Financial Implications

- 6.1 There are no financial implications for the report.

7. Legal Implications

- 7.1 The Council, acting through the Executive Shareholder and Trustee Committee, has the power to operate and manage the Company using the General Power of Competence under s1 of the Localism Act 2011. In exercising its powers over the Company, the Council remains subject to its general duties, such as its fiduciary duty, and must exercise the power with a proper purpose.
- 7.2 This report is prepared in compliance with the abovementioned legislation as well as the Companies Act 2006.
- 7.3 It is confirmed that the appointments detailed within this report comply with the requirements of the Articles of Association for the Company.

8. Human Resource Implications

- 8.1 No Human Resource implications apply to this report.

9. Equality and Diversity Implications

- 9.1 This duty has been considered in the context of this report and it has been concluded that there are no equality and diversity implications arising directly from this report

10. Climate Change/Sustainability Implications

- 10.1 No Climate Change and Sustainability Implications apply to this report

11. Summary of Options

- 11.1 The Committee may
 - a. Appoint the Directors put forward by the Company.

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- b. Appoint different Directors.
- c. Not appoint any further Directors

12. Conclusion

- 12.1 The Committee is asked to appoint three Directors to the Company and ratify the decisions that have been made by the Company over the past 18 months.

13. Background Papers

Executive Shareholder and Trustee Committee report 26 September 2017
'Shareholder general meeting of North Downs Housing Ltd and Guildford
Borough Council Holdings Ltd'

[Agenda for Executive Shareholder and Trustee Committee on Tuesday, 26th
September, 2017, 6.00 pm - Guildford Borough Council](#)

14. Appendices

None