

Bath & North East Somerset Council

DECISION MAKER:	Cllr Tim Warren , Leader of the Council	
DECISION DATE:	On or after 22 September 2018	EXECUTIVE FORWARD PLAN REFERENCE:
		E 3095
TITLE:	Aequus Developments Limited employment Issues	
WARD:	All	
<i>An Open Report containing exempt appendices</i>		
List of attachments to this report:		
LGA 1559 Certificate for exempt appendices		
Exempt Appendix 1 Report to Shareholder Group dated 13 August 2018 (Exempt by virtue of Para 3 SCHEDULE 12A Local Government Act 1972 - information relating to the financial or business affairs of any particular person)		
Exempt Appendix 2 Recommendations of the Shareholder Group (Exempt by virtue of Para 3 SCHEDULE 12A Local Government Act 1972 - information relating to the financial or business affairs of any particular person)		

1 THE ISSUE

- 1.1 Report seeking shareholder approval to permit Aequus Development Limited (ADL) to employ staff.

2 RECOMMENDATION

The Leader as single member and sole shareholder of ADL is asked to:

- 2.1 Agree to the company employing staff, having considered the recommendation of the Shareholder Group.

3 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

- 3.1 There are no financial implications arising directly from this report. The report seeks shareholder approval for the direct employment of staff by ADL which has no direct financial impact on the council.

4 STATUTORY CONSIDERATIONS AND BASIS FOR PROPOSAL

- 4.1 ADL is subject to an overarching agreement with the Council which requires Council approval as shareholder to enable the company to take various prescribed steps - one of which is the direct employment of staff.
- 4.2 The Council's Protocol for the Governance of Council companies was approved by Council in September 2017. The Leader was appointed a sole shareholder on behalf of the Council supported by advice from the Shareholder Group. The shareholder group received a report on 13 August 2018 detailing the background and evolution of ADL; setting out the case for its future development and detailing the decisions required of the shareholder to enable the company to evolve. The report and recommendations contain commercially confidential information in relation to ADL, a separate legal entity, and is supplied to the Council pursuant to a duty of confidentiality (Appendices 1 and 2).
- 4.3 The Shareholder Group have made recommendations to the Leader, which as shareholder which the Leader is now requested to determine.

5 THE REPORT

- 5.1 The proposal to set up a local authority wholly owned company to develop, deliver, own and manage property as well as new development on a case by case basis, was approved by the Cabinet on 2 December 2015.
- 5.2 ADL has had seconded to it members of Council staff pending its formation and initial development. The company is now at a stage where to continue its progress, it needs to directly employ staff.
- 5.3 The Shareholder Group have considered the confidential information supplied to it and have recommended to the Leader that shareholder approval be provided to the board of ADL to directly employ staff.

6 RATIONALE

- 6.1 To enable ADL to succeed in delivering returns to the Council, it must grow and evolve.

7 OTHER OPTIONS CONSIDERED

- 7.1 To refuse shareholder consent to the request which would limit the ability of ADL to operate and compete in the marketplace.

8 CONSULTATION

- 8.1 Consultation has taken place with the Shareholder Group, the Chief Executive, S151 Officer and the Monitoring Officer.

9 RISK MANAGEMENT

9.1 A risk assessment related to the issue and recommendations has been undertaken, in compliance with the Council's decision making risk management guidance.

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Background papers	None
Please contact the report author if you need to access this report in an alternative format	