



<u>Committee and Date</u>	<u>Item</u>
Housing Supervisory Board	
5 September 2019	Public

## APPOINTMENT OF SHAREHOLDER REPRESENTATIVE

**Responsible Officer** Mark Barrow  
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### 1. Summary

- 1.1 The Council has reserved certain functions to itself, as shareholder, in the articles of association of Cornovii Developments Limited (the Company) and the draft shareholder agreement between the Council and the Company (the Draft Shareholder Agreement). The Draft Shareholder Agreement contains a requirement to appoint and identify a shareholder representative who will be authorised to deal with some of the communications to the Company on behalf of the Housing Supervisory Board. This report deals with the appointment of the shareholder representative to allow the completion of the final Shareholder Agreement.

### 2. Recommendation

- 2.1 That the Director of Place be appointed as the shareholder representative to allow completion of the shareholder agreement.

## REPORT

### 3. Background

- 3.1 The report presented to Council on 28 February 2019 and which approved setting up the Company, stated that :

“A shareholder agreement is required to regulate the relationship between the Council and the Housing Company. The precise details of the shareholder agreement will be developed in due course. This Agreement (and the company’s Articles of Association where appropriate) will include those company decisions reserved to the Shareholder (whether further to the Companies Act 2006 or at the direction of the shareholder and made by the Supervisory Board).”

- 3.2 Within the Draft Shareholder Agreement there is a provision that the Housing Supervisory Board should identify and appoint a Council officer to notify the Company of any decisions made by the Housing Supervisory Board in respect of any matter that the Company refers to them for shareholder consent. A notification in writing by the shareholder representative to the company is conclusive evidence for the company of the Housing Supervisory Board's decision on a matter requiring shareholder consent.
- 3.3 This report recommends that the Director of Place is appointed by the Housing Supervisory Board to act as the shareholder representative.

#### **4. Financial Implications**

- 4.1 There are no specific financial implications that relate to the matters contained within this report.

#### **5. Risk Assessment and Opportunities Appraisal**

- 5.1 There is a specific requirement to identify and appoint to this role within the Draft Shareholder Agreement. Failure to do so is contrary to the provisions of the draft Shareholder Agreement and may well lead to administrative difficulties and delays in communicating certain decisions of the Housing Supervisory Board to the Company.

#### **6. Conclusions**

- 6.1 In order to comply with the terms of the Draft Shareholder Agreement the Housing Supervisory Board is recommended to identify and appoint the Director of Place as the shareholder representative.

<p><b>List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)</b></p>
<p>Council report 28 February 2019</p>
<p><b>Cabinet Members (Portfolio Holders)</b></p>
<p>Cllr. Robert Macey</p>
<p><b>Local Members</b></p>
<p>All</p>

