

North East Derbyshire District Council

Cabinet

11 June 2014

**Appointment of NEDDC Director to North Eastern Derbyshire Business
Developments (NEDBD) Ltd**

**Report No: GBXR/10/14/SL of Councillor G Baxter MBE, Portfolio Holder with
Responsibility for Building a Better Council**

This report is public

Purpose of the Report

- To appoint the NEDDC officer representative on NEDBD Ltd, and endorse their registration as a director at Companies House.

1 Report Details

- 1.1 North Eastern Derbyshire Business Development (NEDBD) Limited is a not for profit company limited by guarantee, established in 1993 to act as the accountable body and operating company for CHART Local Strategic Partnership. It has since fulfilled this role for the £11.5m CHART Single Regeneration Budget Scheme, its European Action Plan and £1m Staveley Neighbourhood Management (SNM) Pathfinder.
- 1.2 The currently primary role of NEDBD is as accountable body for the £2.4m BNED LEADER Approach, the Grassland Hasmoor...Big Local Project (which aims to access over £1m for Grassmoor and Hasland), the former CHART area (North East Derbyshire & Chesterfield) health monies and Destination Chesterfield. NEDBD also acts as accountable body for individual projects and applies to funding bodies on behalf of partners, managing the financial aspects of the projects.
- 1.3 NEDBD is democratically managed by several local public and private agencies, chaired by Derbyshire & Nottinghamshire Chamber of Commerce. The other organisations which are company members, who each name a director registered with Companies House, are: Bolsover District Council; Chesterfield Borough Council; Chesterfield and District Trades Union Council; Derbyshire County Council; and North East Derbyshire District Council.
- 1.4 The main role of the NEDBD Board is to oversee progress of its constituent funding schemes, ensuring that they are operating within their respective delivery arrangements. Each scheme has their own management arrangements (such as the BNED LEADER Local Action Group and Grassland Hasmoor, Interim Steering Group) to deal with operational activity. The Board, which usually meets biannually, also considers the financial reports, accounts and appoints the company auditors.

- 1.5 Derbyshire & Nottinghamshire Chamber provides the Company Secretary services, with the NEDDC Strategic Partnership Co-ordinator acting as Executive Officer (part of their core duties), overseeing the operations of the company. Key benefits of using NEDBD include reducing liabilities on any one partner and allowing partners on cross-border activities to have an equal stake the schemes' management.
- 1.6 Prior to the restructure of the Strategic Alliance Management Team, the former NEDDC and BDC Joint Director of Development was the joint nominated NEDBD director, registered with Companies House. Although officers can provide a proxy vote until a director is confirmed, it is best practice for NEDDC and BDC to nominate a replacement officer to register with NEDBD Ltd and Companies House.
- 1.7 This report will also be presented to the Bolsover District Council Executive as it is appropriate to suggest that a joint officer continues to represent the views and vote on behalf of both Councils.

2 Conclusions and Reasons for Recommendation

- 2.1 NEDBD continues to be a useful vehicle in administering local economic, community and health development funding for the area, minimising the bureaucracy and Council's liabilities of managing such resources.
- 2.2 It is recommended that the Joint Assistant Director for Economic Growth is appointed the NEDDC representative on NEDBD Ltd. The remit of this officer is most closely aligned to NEDBDs predominantly economic development focus, particularly with the BNED LEADER Approach scheme which aims to recommence in January 2015, significantly contributing to the Councils' growth agendas.
- 2.3 There are no restrictions to the length of time a nominee can serve as a director of NEDBD. To assist with consistency, it is recommended that the NEDDC nomination stands until NEDDC determine otherwise.

3 Consultation and Equality Impact

- 3.1 The Joint Chief Executive has been consulted on the recommendation being made.

4 Alternative Options and Reasons for Rejection

- 4.1 Although NEDDC and BDC have the opportunity to each nominate a different representative, it is felt to be an inefficient use of officer time to do this due to the straightforward nature of the NEDBD Board's duties.
- 4.2 Although the NEDDC Strategic Partnership Co-ordinator, as NEDBD Executive Officer, has been able to substitute for the registered NEDDC NEDBD director on several occasions, they cannot do this for BDC as they are not a joint officer.
- 4.3 Although NEDBD oversees funding related to health and community development, the primary purpose is for the development of the local economic infrastructure. It is therefore felt inappropriate to nominate an officer with a non-economic growth remit.

5 Implications

5.1 Finance and Risk Implications

- 5.1.1 As noted in section 5 of NEDBD's Memorandum of Association, "Every Member of the Company undertakes to contribute such amount as may be required (not exceeding £5) to the Company's assets if it should be wound up while he is a member or within one year after he ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves."
- 5.1.2 All NEDBD payments are made by countersigned cheques, no two signatories being from the same organisation.

5.2 Legal Implications including Data Protection

- 5.2.1 NEDBD requires NEDDC and BDC to each have directors registered at Companies House to operate on their behalf. This can be the same representative.

5.3 Human Resources Implications

- 5.3.1 None.

6 Recommendations

- 6.1 That the Joint Assistant Director for Economic Growth is appointed the NEDDC representative on NEDBD Ltd. until otherwise determined.

7 Decision Information

Is the decision a Key Decision? (A Key Decision is one which results in income or expenditure to the Council of £50,000 or more or which has a significant impact on two or more District wards)	No
District Wards Affected	All Wards
Links to Corporate Plan priorities or Policy Framework	High Performing Council; Create Jobs, Build Skills, Attract Investment; Improve People's Health

8 Document Information

Appendix No	Title
N/A	N/A
Background Papers (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers)	
NEDBD Ltd Memorandum and Articles of Association	
Report Author	Contact Number
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AGIN 5(a) (CAB 0611) NEDDC Director to NED Business Development/AJD