

**16. APPOINTMENT OF DIRECTORS TO CIVIC BUILDING LIMITED**

<b>General Manager responsible:</b>	General Manager Corporate Services
<b>Author:</b>	Ian Thomson, Solicitor, Legal Services Unit

**PURPOSE OF REPORT**

1. The purpose of this report is to recommend nominees for appointment as directors of Civic Building Ltd, a Council Controlled Organisation.

**EXECUTIVE SUMMARY**

2. At its meeting on 10 June 2011 the Council resolved to appoint the Mayor, Deputy Mayor, Councillor Gough and the Chief Executive as directors of Vbase Ltd.
3. That company has the responsibility of managing the Council's interest in Civic Building Limited and Jet Engine Facility Ltd, both of which are also Council Controlled Organisations. All of the shares in Jet Engine Facility Ltd are owned by Vbase Ltd.
4. Up until 29 July 2011 the directors on the board of Vbase Ltd were also on the board of the other two companies. Since that date Councillor Gough has been the sole remaining director of Civic Building Ltd and Jet Engine Facility Ltd.
5. The Vbase Ltd directors have appointed additional directors to the board of Jet Engine Facility Ltd. Because the Council owns all of the shares in Civic Building Ltd it will need to resolve that additional directors are appointed to that company.

**FINANCIAL IMPLICATIONS**

6. There are no financial implications arising from the appointment of directors. It is not intended that they receive any remuneration.

**LEGAL CONSIDERATIONS**

7. The appointment of additional directors is required to ensure that Civic Building Ltd complies with its constitution.

**STAFF RECOMMENDATION**

It is recommended that the Council resolves to:

- (a) appoint the Mayor and Deputy Mayor as additional directors on the board of Civic Building Limited, and note that there will be no remuneration paid as a result of their appointment.

**BACKGROUND**

8. The staff recommendation follows the Council's decision at its meeting on 10 June 2011 to appoint new directors to the board of Vbase Ltd.
9. That company manages the Council's interest in Civic Building Ltd. To assist with this, the same directors have been appointment to both companies.
10. However, Tony Marryatt has elected not to offer himself for appointment to the board of Civic Building Ltd. This is because a conflict of interest could arise between his role as Chief Executive of the Council (as Lessee) and the joint venture (of which the Council is part) as owner of the Civic Building.