

Committee Administrator: Democratic Services Officer (01609 767015)

Monday, 27 February 2023

Dear Councillor

Notice of Meeting

Meeting **Cabinet**

Date **Tuesday, 7 March 2023**

Time **11.30 am**

Venue **Council Chamber, Civic Centre, Stone Cross, Rotary Way,
Northallerton, DL6 2UU**

Yours sincerely

J. Ives.

Dr Justin Ives
Chief Executive

To:	Councillors	Councillors
	M S Robson (Chairman)	P R Thompson
	P R Wilkinson (Vice-Chairman)	S Watson
	Mrs I Sanderson	D A Webster

Other Members of the Council for information

Note: Members of the press and public are able to observe the meeting virtually via Teams. Please click on the link on the website or dial 020 3855 5195 followed by the Conference ID: 619 289 090# For further information please contact Democratic Services on telephone 01609 767015 or email committeeservices@hambleton.gov.uk

Agenda

Page No

1. Minutes

To confirm the decisions of the meeting held on 7 February 2023 (CA.42 - CA.44), previously circulated.

2. Apologies for Absence

Resources Management

3. Transition of Companies and other bodies to North Yorkshire Council

1 - 4

This report is to ensure the orderly transition of the Council's companies, joint ventures and other bodies the Council has an interest in to the new authority namely North Yorkshire Council under the process of local government reorganisation. In order to ensure the effective continued corporate governance arrangements of those affected companies' steps are required prior to the dissolution of Hambleton District Council.

In accepting the recommendations, Cabinet will approve the transfer of Hambleton District Council owned shares and/or interests to the new unitary authority, being the North Yorkshire Council; delegate authority to Director of Law and Governance to take the necessary steps required to transfer the companies including entering into any documents on behalf of the Council that are required to transfer the companies to the new authority; delegate authority to the Director of Law and Governance to accept the resignations of those company directors tendered before 31 March 2023 and to appoint and dismiss such other company directors as agreed in writing with the Director of Law and Governance and North Yorkshire County Council; and delegate authority to the Director of Law and Governance to deal with and approve any other matters and documentation be it legal or otherwise as may be needed to facilitate the orderly transition of the Council's interests in outside bodies to the new authority, being North Yorkshire Council.

Relevant Ward(s): All Wards

Hambleton District Council

Report To: Cabinet

Date: 7 March 2023

From: Chief Executive

Subject: **Transition of Companies and other bodies to North Yorkshire Council**

Wards Affected: All Wards

1.0 Purpose and Background

1.1 The purpose of this report is to ensure the orderly transition of the Council's companies, joint ventures and other bodies the Council has an interest in to the new authority namely North Yorkshire Council under the process of local government reorganisation. In order to ensure the effective continued corporate governance arrangements of those affected companies' steps are required prior to the dissolution of Hambleton District Council.

2.0 Detailed Proposal

2.1 There are a number of companies owned by the District and Borough Councils across North Yorkshire. As part of Local Government Reorganisation the District and Borough Councils will automatically transfer to the new authority, being the North Yorkshire Council. In order to ensure the smooth transition to the new authority it is proposed that the Council arranges for the transfer of its shares and members interests immediately ahead of vesting date. This will ensure that those companies and outside bodies will continue to operate and provide their services to the Council and public without procedural delay.

2.2 The Council has an interest in several companies and outside bodies namely Hambleton District Holdings, Hambleton Property Limited, Maple Park (Hambleton) LLP and Central Northallerton Development Company. The Council wholly owns Hambleton District Holdings Limited and Hambleton Property Limited. The Council owns 50% of the shares in Central Northallerton Development Company Limited. The Council's interest in Maple Park (Hambleton) LLP is set out in the LLP agreement and a deed of adherence is to be entered to transfer the Council's interest to the new authority.

2.3 The Council also owns 10% of the shares in Veritau North Yorkshire (Company Number 7931990) ("Veritau NY") – jointly owned with Veritau Limited (50%) Selby District Council (10%), Richmondshire District Council (10%) Scarborough Borough Council (10%) and Ryedale District Council (10%). Veritau Limited has pre-emption rights over the shares in Veritau NY which means they have first right of refusal to purchase the shares prior to any transfer to the new North Yorkshire Council.

- 2.4 Agreeing to the transfer of ownership of the above-mentioned companies and bodies is not a decision which their respective boards of directors can agree to but rather is a decision of the shareholder. Members are therefore being asked to approve the transfers on behalf of the Council as shareholder and to delegate authority to the Director for Law and Governance to take the necessary steps required to transfer the companies including the approval of the Council entering into any documents required to implement the transfer.
- 2.5 Action is required by the Council to execute the necessary documents to transfer the companies and interests prior to 1 April 2023. As North Yorkshire Council will not exist until 1 April 2023, it will be necessary for North Yorkshire County Council to enter into certain agreements relating to the transfers with the Districts and Boroughs. These documents will then transfer the rights in the companies on 1 April 2023 to the North Yorkshire Council.

Appointments and Resignations

- 2.6 There are currently 3 directors on Hambleton District Holdings Limited, the Council's Deputy Chief Executive Mick Jewitt, Councillor Peter Wilkinson and Councillor Isobel Sanderson. Mick Jewitt and Councillor Isobel Sanderson have indicated that they will provide letters of resignation with effect from 31st March 2023 as following that date they will no longer be an officer or a councillor respectively.
- 2.7 Hambleton Property Limited currently has 4 directors, these being, the Council's Chief Executive Dr Justin Ives, Mick Jewitt, Councillor Isobel Sanderson and Councillor Peter Wilkinson. Dr Justin Ives, Mick Jewitt and Councillor Isobel Sanderson will no longer be officers or councillors of Hambleton District Council and have indicated they will provide letters of resignation with effect from 31st March 2023.
- 2.8 Maple Park (Hambleton) LLP has two Members, Hambleton District Council and Hambleton District Holdings. At its meeting on 6th July 2021 Cabinet appointed the Chief Executive, the Portfolio Holder for Transformation and Projects, and the Portfolio Holder for Environmental Health, Waste and Recycling as authorised representatives to represent the Council on the LLP. As Hambleton District Council will no longer exist after the 31st March 2023, North Yorkshire County Council as the continuing authority will need to appoint a representative for the LLP and appoint or delegate appointments to the Management Board.
- 2.9 Central Northallerton Development Company is a Joint Venture Company with Wykeland Properties Limited. There are two directors appointed by Hambleton District Council – Dr Justin Ives and Councillor Peter Wilkinson. Dr Justin Ives ceases to be an officer of Hambleton District Council and has indicated that he will resign with effect from the 31st March 2023.
- 2.10 The power to appoint to these bodies is an executive function and Cabinet is therefore requested to delegate authority to the Director of Law & Governance to accept the resignations of those company directors tendered before 31 March 2023 and to appoint and dismiss such other company directors up to 31 March 2023 as advised in writing to the Director of Law & Governance by North Yorkshire County Council.

3.0 Financial Implications

3.1 There are no financial implication associated with this report.

4.0 Legal Implications

4.1 All property, rights and liabilities of the seven District and Borough Councils shall on the 1 April 2023 vest in and transfer to the new authority in accordance with Regulation 7 of The Local Government (Structural Changes) (Transfer of Functions, Property, Rights and Liabilities) Regulations 2008 (2008 Regulations). Whilst it may be the case that the Council's current shares will transfer to the new authority automatically via operation of law, North Yorkshire County Council has requested that the Council undertakes specific steps regarding membership and share transfers prior to vesting date to ensure the smooth and effective transition of these corporate governance arrangements.

5.0 Equalities and Diversity Issues

5.1 Equality and Diversity Issues have been considered however there are no issues associated with this report.

6.0 Recommendations

6.1 It is recommended that Cabinet:-

- (i) approves the transfer of Hambleton District Council owned shares and/or interests to the new unitary authority, being the North Yorkshire Council;
- (ii) delegates authority to Director of Law and Governance to take the necessary steps required to transfer the companies including entering into any documents on behalf of the Council that are required to transfer the companies to the new authority;
- (iii) delegates authority to the Director of Law and Governance to accept the resignations of those company directors tendered before 31 March 2023 and to appoint and dismiss such other company directors as agreed in writing with the Director of Law and Governance and North Yorkshire County Council; and
- (iv) delegates authority to the Director of Law and Governance to deal with and approve any other matters and documentation be it legal or otherwise as may be needed to facilitate the orderly transition of the Council's interests in outside bodies to the new authority, being North Yorkshire Council.

Gary Nelson
Director of Law and Governance

Background papers: Report to Cabinet Crematorium Operation 6th July 2021
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