



**SOUTH
KESTEVEN
DISTRICT
COUNCIL**

Companies Committee

2 November 2021

Report of: Councillor Linda Wootten

Cabinet Member for Corporate
Governance and Licensing



Appointment of Director Arrangements

This report proposes changes to the director arrangements for Environment SK Ltd and Environment SK Commercial Services Ltd.

Report Author

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Corporate Priority:	Decision type:	Wards:
Well Performing Council	Administrative	All Wards

Reviewed by:	Richard Wyles, Assistant Director of Finance	21 October 2021
Approved by:	Graham Watts, Deputy Monitoring Officer	21 October 2021
Signed off by:	Councillor Linda Wootten, Cabinet Member for Corporate Governance and Licensing	21 October 2021

Recommendation (s) to the decision maker (s)

- Companies Committee is asked to approve the appointment of Councillor Robert Reid, Cllr Adam Stokes, Cllr Paul Wood and Claire Moses as directors to Environment SK Ltd.**
- Companies Committee is asked to approve the appointment of Councillor Robert Reid, Cllr Adam Stokes, Cllr Paul Wood, Ken Lyon and Claire Moses as directors to Environment SK Commercial Services Ltd.**

1 The Background to the Report

- 1.1 It is proposed that new Directors are appointed to Environment SK Ltd and Environment SK Commercial Services Ltd following the recent changes to the Cabinet Member portfolios, the resignation of Cllr Dr Peter Moseley from the Cabinet and the retirement of Mark Jones.
- 1.2 Environment SK Ltd and Environment SK Commercial Services Ltd are wholly owned South Kesteven District Council (SKDC) trading companies. Environment SK Ltd provide grounds maintenance services to SKDC and also undertakes grounds maintenance services for other public and private organisations.
- 1.3 Environment SK Commercial Services Ltd is not active. Environment SK Commercial Services Ltd was established at the same time as Environment SK Ltd with the view that if the other public and private organisation business increased, the work would start to be undertaken via the commercial services company. This would ensure that Environment SK Ltd complied with the local authority trading company 'Teckal' requirements. 'Teckal' companies must ensure that no more than 20% of the company's activities should be work undertaken for other organisations (ie not for the Council). Environment SK Ltd is currently trading and providing services to private companies, parish/town councils and others but at the moment this is less than 20% of the work they undertake. Although Environment SK Commercial Services Ltd is not active, it is a company registered at Companies House so it is proposed that directors are appointed.
- 1.4 It is proposed that Cllr Robert Reid, who has taken on grounds maintenance within his Cabinet portfolio, Cllr Adam Stokes, Cllr Paul Wood and Claire Moses are made directors of both companies. Claire Moses is Head of Revenues and Benefits with good financial skills and experience of customer services.
- 1.5 Ken Lyon, SKDC Assistant Chief Executive, is already a director of Environment SK Ltd and it is proposed that he is also added as a director of Environment SK Commercial Services Ltd.

2 Consultation and Feedback Received, Including Overview and Scrutiny

- 2.1 Companies Committee is asked to consider and approve the addition of the directors as set out in this report.

3 Available Options Considered

- 3.1 Without further director appointments, Environment SK Ltd would be left with only one director and Environment SK Commercial Services Ltd with no directors.

4 Preferred Option

- 4.1 To approve the proposed directors for Environment SK Ltd and Environment SK Commercial Services Ltd.

5 Reasons for the Recommendation (s)

- 5.1 To replace departing directors.

6 Next Steps – Communication and Implementation of the Decision

- 6.1 Should the Companies Committee approve the recommendation, then Companies House records will be updated accordingly.

7 Financial Implications

7.1 There are no financial implications arising from this report.

Financial Implications reviewed by: Richard Wyles, Assistant Director of Finance and s151 Officer

8 Legal and Governance Implications

8.1 In accordance with the terms of reference of the Committee, Members are asked to approve the appointment of the proposed directors to Environment SK Ltd and Environment SK Commercial Services Ltd.

Legal Implications reviewed by: Graham Watts, Deputy Monitoring Officer

9 Equality and Safeguarding Implications

9.1 No significant issues identified.

10 Risk and Mitigation

10.1 No significant issues identified.

11 Community Safety Implications

11.1 No significant issues identified.

12 How will the recommendations support South Kesteven District Council's declaration of a climate emergency?

12.1 No significant issues identified.

13 Other Implications (where significant)

13.1 No significant issues identified.

14 Background Papers

14.1 None.

15 Appendices

15.1 None.