

EAST LONDON WASTE AUTHORITY

23 JUNE 2008

OFFICE MANAGER'S REPORT

ELWA LIMITED DIRECTORSHIPS - 2008/09	FOR CONSIDERATION
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1 Purpose

- 1.1 To consider the appointment of a Member to the position of ELWA Limited 'A' Director for the year 2008/09

2 Background

- 2.1 ELWA is required to make an annual appointment to the position of 'A' Director of ELWA Limited.
- 2.2 The role of the 'A' Director (currently Councillor Alan Weinberg) is set out in the Joint Venture Agreement and Articles of Association of ELWA Limited. It is an important role and an 'A' Director is required to be present for the ELWA Limited Board to be quorate. The 'B' Directors on the company are appointed by Shanks Waste Services Limited.
- 2.3 It has been previously considered that the appointment of either the Chair or the Vice-Chair to this post would not be appropriate, in order to minimise potential for conflicting interest at the ELWA meetings.
- 2.4 The Joint Venture Agreement provides that ELWA will not appoint the "A" Director without prior consultation with the "B" shareholder (Shanks Waste Services Limited). There is a proviso that the "B" shareholder shall not be permitted to prevent the appointment of a Director or Alternate Director by ELWA.

3 Board Meetings of ELWA Limited

- 3.1 ELWA Limited meets at least quarterly. If, for some reason, the 'A' Director cannot attend, the meeting would have to be rearranged. To date, it has been possible to arrange (or rearrange) dates satisfactorily to ensure that the 'A' Director can attend.
- 3.2 It was agreed at the June 2003 Authority Meeting that the Chair be authorised to nominate an alternative 'A' Director should the need arise, in order to ensure that if the 'A' Director was not available the ELWA Limited Board could continue to be quorate.

4 Role of 'A' Director

- 4.1 As (non-voting) shareholders in ELWA Limited, ELWA has retained some rights (of veto, for example) over certain activities of the ELWA Limited. The 'A' Director is empowered to exercise similar rights at the Board Meetings of ELWA Limited.

5 The Personal Position of the 'A' Director

- 5.1 At ELWA meetings, all Councillors must act in accordance with the Members Code of Conduct and Constitution in respect of items on the ELWA Agenda, including those items that affect ELWA Limited.
- 5.2 At ELWA Limited Board Meetings, the 'A' Director must act in the best interest of the shareholders of ELWA Limited.
- 5.3 These separate responsibilities and partnership arrangements are increasingly common in local Government as local authorities enter into more flexible ways of delivering services and extend influence into the wider public and private sectors.

6 Recommendations

6.1 Members are asked to:-

- i) appoint a Member to the position of ELWA Limited 'A' Director for the 2008/09 municipal year;
- ii) authorise the 'A' Director to act as ELWA's representative at the Annual General Meeting at ELWA Limited;
- iii) such appointment to take effect following prior consultation with the "B" shareholder;
- iv) agree that the Chair be authorised to nominate an alternative 'A' Director should the need arise.

Shirley-Ann Gray
OFFICE MANAGER

Appendix
None

Background Papers

- 1 Joint Venture Agreement and Articles of Association of ELWA Limited
- 2 Members Code of Conduct and Constitution