

## **EAST AYRSHIRE COUNCIL**

**CABINET - 19 DECEMBER 2007**

### **CUMNOCK TOWN CENTRE REGENERATION PROJECT – PROPOSED APPOINTMENT OF DIRECTORS TO THE JOINT VENTURE COMPANIES**

#### **Report by Depute Chief Executive/Executive Director of Corporate Support**

#### **1. PURPOSE OF REPORT**

- 1.1 The purpose of this report is to seek formal approval for the appointment of Council officers as Directors of the joint venture companies in relation to the Cumnock Town Centre Regeneration Project.

#### **2. BACKGROUND**

- 2.1 Members will recall that at the meeting of Cabinet on 24 October 2007 a detailed report in respect of the proposed structure of the Joint Venture Agreement in relation to the Cumnock Town Centre Regeneration Project was considered and approved. Since that date, in accordance with the terms of the Cabinet approval, the Solicitor to the Council has proceeded to finalise the terms of the joint venture documentation. The current position is that it is intended that all formal documentation be executed before Christmas.

#### **3 THE APPOINTMENT OF DIRECTORS**

- 3.1 The last remaining preliminary issue for the Council to determine on this topic is the appointment of directors to represent the Council in the joint venture companies. As detailed within the report considered on 24 October the project will proceed with the creation of two separate joint venture companies for the retail and office developments. It is intended that there will be four directors for each company with two from Deanmuir and two from East Ayrshire Council.
- 3.2 It is proposed that, in relation to both JVCo's, the Council's directors be officers of the Council as opposed to elected members. This proposal is submitted on the basis that the progress of the entire regeneration project will be the subject of regular progress reports to Cabinet and further that any substantive issues or decisions will be referred to Cabinet for prior approval.
- 3.3 On this basis it is proposed that the Council's nominees for the directors of the retail JVCo be Elizabeth Morton and John Spooner and for the office JVCo, Elizabeth Morton and Robin Baker.

#### **4 LEGAL IMPLICATIONS**

- 4.1 The completion of the joint venture documentation will have major legal implications for the Council as well as the future of the Project. However, before the documentation can be completed, it is required that the Council's directors be appointed in terms of the relevant statutory provisions pertaining to companies.

## **5 FINANCIAL IMPLICATIONS**

- 5.1 There are no financial implications arising directly from the terms of this report.

## **6 POLICY IMPLICATIONS**

- 6.1 The finalisation of the documentation in respect of the legal structure of the vehicle to take forward the major aspects of the Cumnock Town Regeneration Project will be a significant milestone in the achievement of the Council's policy objectives for the regeneration of Cumnock Town Centre, which in itself, will contribute to the achievement of the aims of the East Ayrshire Community Plan : Improving Opportunities Theme.

## **7 RECOMMENDATIONS**

- 7.1 It is recommended that the Cabinet approves:
- (a) the appointment of Elizabeth Morton and John Spooner as the Council's nominated directors of the joint venture company for the retail element of the project;
  - (b) the appointment of Elizabeth Morton and Robin Baker as the Council's nominated directors of the joint venture company for the office element of the project; and
  - (c) otherwise notes the content of this report.

**ELIZABETH MORTON**  
**Depute Chief Executive / Executive Director of Corporate Support**

13 December 2007 EM/SMcC

### **BACKGROUND PAPERS**

**None**

**For further information please contact David Mitchell, Head of Legal, Procurement and Regulatory Services at Council Headquarters on (57) 6061.**

