

<b>Item No.</b> 8.	<b>Classification:</b> Open	<b>Date:</b> March 27 2008	<b>Meeting Name</b> Major Projects Board
<b>Report title:</b>		Appointment to the Creation Trust (New Aylesbury Trust Limited)	
<b>Ward(s) or groups affected:</b>		Faraday	
<b>From:</b>		Strategic Director of Legal and Democratic Services	

## RECOMMENDATIONS

1. That the major projects board consider the appointment of two councillors to the Creation Trust (New Aylesbury Trust Limited.)

## BACKGROUND INFORMATION

2. The council has been invited to nominate two councillors to join the Board of Directors of the Creation Trust (New Aylesbury Trust Limited). The letter from the Trust requesting these appointments states that it has been traditional over the past few years that council representation on Aylesbury and/or NDC-related matters comprise one representative from the executive and one from ward councillors.
3. Creation Trust (New Aylesbury Trust Limited) believes that both the council and the Trust will benefit from there being council representation on the Creation Trust Board because:
  - The redevelopment is going to take several years and one aim of the Trust is to foster effective working relations between the residents of the area and the local authority during this period.
  - The continued engagement with residents of the Aylesbury area during the redevelopment period and the Creation Trust can, firstly, be a conduit for that engagement, but, also can provide resources and possibly specific project initiatives to assist in that process.
  - The Creation Trust needs to become financially viable and a locally respected body if it is to effectively represent the views of the local residents. Co-operation with the council in respect of the former (discussions on the use of NDC and post-NDC funds, for instance) will be critical. Council representation on the Board will give the Trust a status in the eyes of local residents it might otherwise take time to develop.
  - Both organisations are conscious that the Aylesbury is not being redeveloped in isolation but as part of a series of major regeneration initiatives in the borough and beyond. Council representation on the Trust Board will help bring the necessary strategic overview to discussions.

## KEY ISSUES FOR CONSIDERATION

4. The Creation Trust has been established as the successor of the NDC with the aim of providing social and economic support to residents and businesses in the local area as well as continuing to work with residents to influence the physical transformation of the area. It is expected that the Trust will use its assets and other resources to support the development of the projects that will provide:-

- Social and recreational activities for the residents of the neighbourhood and the wider health and educational activities.
  - Training and employment support.
  - Community support and re-assurance initiatives linked to meeting the needs of the elderly and vulnerable and other priority groups during the redevelopment process.
  - Community empowerment schemes.
  - A beacon to other areas in the borough and beyond about how to create truly sustainable and cohesive communities.
  - The Trust will also expect to have close links with the Burgess Park Trust and the Elephant and Castle Trust as well as a range of other service providers.
5. It has been traditional for council representation on Aylesbury and/or NDC-related matters to comprise one representative from the executive and a ward councillor.

### **Community Impact Statement**

6. The Trust has asked for councillor representation on this body so as to adequately represent the community, including a specific recommendation for a relevant ward councillor to be appointed. Part of the aim of the Creation Trust is to provide social and economic support to residents and businesses, which can only serve to provide a positive impact for the community. The nomination/appointment process will as such, have no direct impact on the community.

### **Legal Implications**

7. Where at least 20% of the directors of a company other than a bank or insurance company are persons associated with a local authority, it is regarded under the provisions of section 69 Local Government and Housing Act 1989 as a company that is subject to the "influence of a local authority". The local authority will, in such circumstances, be required under regulations to comply with certain duties in relation to that company. To avoid this classification, the council's representation on the board of directors must remain at less than 20%. In the letter dated 2 January 2008, the Trust makes clear that there is to be a total of 11 directors including the 2 council representatives'. Provided the total number of directors and representation from this council remain as stated, the Trust will not be regarded as a company influenced by a local authority.
8. Clause 19 Schedule 2 of the local Authorities (Functions & Responsibilities) England Regulations 2000 provides that the appointment of an individual to any office other than an office in which he is employed by the authority or to any other body other than the authority itself, a joint committee of two or more authorities or any other committee or sub-committee may be but need not be a function of an authority's executive. The constitution provides at paragraph 8 of the executive's general terms of reference that it is a responsibility of the executive to affiliate to and appoint representatives to outside bodies where such appointments are a function of the executive. Paragraph 15 of Part 3N of the constitution makes clear that the appointment of an individual to any body other than the authority, a joint committee of two or more authorities or to any committee or sub-committee of such a body is the responsibility of the executive.
9. As an executive committee, the major projects board has power within the role and function delegated to it, to appoint representatives to the board of directors of the Creation Trust".

## Consultation

10. A copy of this report will be sent to the political group whips.

## REASONS FOR URGENCY

11. Major projects board will not meet again until May 15 2008. It is imperative that major projects board has the opportunity to consider the appointment of councillors to the Creation Trust so that the council is represented on the body. The Creation Trust needs to become a locally respected body in order to effectively represent the views of the local residents. Co-operation with the council on financial matters will be critical. Council representation on the board will increase the status of the trust in the eyes of local residents to a level it might otherwise take time to develop.

## REASONS FOR LATENESS

12. The report was omitted from the original agenda.

## BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Correspondence from the Creation Trust	Town Hall, Peckham Road, London SE5 8UB	Paula Thornton 020 7525 4395
Memorandum of Association document of The New Aylesbury Trust.	Town Hall, Peckham Road, London SE5 8UB	Paula Thornton 020 7525 4395

## AUDIT TRAIL

<b>Lead Officer</b>	Ian Millichap, Constitutional Team Manager	
<b>Report Author</b>	Paula Thornton, Constitutional Officer	
<b>Version</b>	Final	
<b>Dated</b>	March 5 2008	
<b>Key Decision?</b>	No	
<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / EXECUTIVE MEMBER</b>		
<b>Officer Title</b>	<b>Comments Sought</b>	<b>Comments included</b>
Finance Director	No	No
Strategic Director of Major Projects	Yes	No
<b>Date final report sent to Constitutional Team</b>		March 14 2008