

**REPORT TO:** Mersey Gateway Executive Board  
**DATE:** 23 January 2014  
**REPORTING OFFICER:** Chief Executive  
**PORTFOLIO:** Leader  
**SUBJECT:** Mersey Gateway Crossings Board Ltd  
**WARDS:** All

## **1.0 PURPOSE OF THE REPORT**

1.1 To seek authorisation to the Mersey Gateway Crossings Board Ltd offering directors contracts in excess of two years duration and to the appointment of the initial executive directors;

## **2.0 RECOMMENDATION: That**

- (1) The Board agree to the directors of Mersey Gateway Crossings Board Ltd being offered contracts in excess of two years
- (2) The Board delegate the right to vote on the above matter to the Operational Director – Legal and Members Services
- (3) The Board authorises the Chief Executive, in consultation with the Leader, to make all the initial executive director appointments in respect of the MGCB

## **SUPPORTING INFORMATION**

- 3.1 Mersey Gateway Crossing Board Ltd (MGCB) is company limited by shares, with the Council owning 100% of the shares.
- 3.2 Section 188 of the Companies Act 2006 state that any director's contract of two years or more duration requires approval by ordinary resolution, ie that the shareholders of the company must agree to such contracts in advance.
- 3.3 The Governance Agreement proposes that all non-executive directors are appointed for three years by way of a Directors Service Agreement, and hence approval by ordinary resolution is required for MGCB to be able to offer the directors contracts for this duration.
- 3.4 The Construction Director and Finance Director will both be offered a combined Directors Service Agreement and Contract of Employment for four years, and again approval by ordinary resolution is required for MGCB to be able to offer the directors contracts for this duration

3.5 The Department for Transport has been consulted on these matters, in accordance with the draft Governance Agreement and they have no issues with the proposed duration of the contracts.

3.6 The Governance Agreement allows the Council to appoint the initial executive directors, subsequent appoints are to be approved by the Appointments Committee of the Mersey Gateway Crossings Board Ltd

#### **4.0 POLICY IMPLICATIONS**

4.1 The Project is a key priority for the Council which deliver benefits locally and across the wider region

#### **5.0 OTHER / FINANCIAL IMPLICATIONS**

5.1 All substantive implications are reported above

#### **6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

##### **6.1 Children and Young People in Halton**

Mersey Gateway provides an opportunity to improve accessibility to services, education and employment for all.

##### **6.2 Employment, Learning and Skills in Halton**

Over 500 construction jobs will be required for MG and matters are in hand designed to ensure the local community has access to these job opportunities. In the longer term, several thousand jobs are forecast to be created in the sub-region due to the wider economic impact of the project.

##### **6.3 A Healthy Halton**

Mersey Gateway provides an opportunity to improve accessibility to services, education and employment for all, including improved cycling and walking facilities

##### **6.4 A Safer Halton**

The project will produce road safety benefits for road users including improved cycling and walking facilities.

##### **6.5 Halton's Urban Renewal**

Mersey Gateway Project is a priority project in the Urban Renewal Programme.

#### **7.0 RISK ANALYSIS**

The project structure supported by the proposed delegation and decision authority will reduce the risk of delay and improve the quality of the project control.

The creation of MGCB Ltd is a requirement of the DfT Funding Letter.

## **8.0 EQUALITY AND DIVERSITY ISSUES**

Mersey Gateway provides an opportunity to improve accessibility to services, education and employment for all.

## **9.0 REASON FOR DECISION**

This report is for information only

## **10.0 ALTERNATIVE OPTIONS CONSIDERED AND REJECTED**

Direct management by the Council is precluded by the Government's consent letter which is the basis for the financial approval. The proposed format of the Crossings Board is as a company limited by shares.

## **11.0 IMPLEMENTATION DATE**

## **12.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

None under the Meaning of the Act