
Report To:	Policy & Resources Committee	Date: 4 February 2014
Report By:	Acting Corporate Director Environment, Regeneration & Resources	Report No: EP/LA/1127/14
Contact Officer:	Elaine Paterson	Contact No: 01475 712139
Subject:	Memorandum & Articles of Association of Riverside Inverclyde	

1.0 PURPOSE

- 1.1 The purpose of this report is (i) to advise members that the Chief Executive has exercised the power delegated to him by the Committee at its meeting on 24 September 2013 to amend Riverside Inverclyde's (ri's) Memorandum & Articles of Association, and (ii) to inform members of the import of the changes made.

2.0 SUMMARY

- 2.1 Inverclyde Council, a Member of ri, requires to consent to any alterations to the Memorandum & Articles of Association of the Company.
- 2.2 Authority to consent to such alterations was delegated by the Committee to the Chief Executive at its meeting on 24 September 2013 (Para 583).
- 2.3 Following the mid-term review of ri and the appointment of Aubrey Fawcett as Interim Chief Executive of ri, the Company undertook an assessment of its Board of Directors. The purpose of the assessment was to comply with recommendations made as a result of the mid-term review in relation to governance issues.
- 2.4 This assessment was such that the Company's Memorandum & Articles of Association required to be amended to reflect the changes which the Board of Directors deemed appropriate to the constitution and composition of the Board.
- 2.5 The effect of the amendments are outlined in the body of this report and were approved by the Company at its Board Meeting of 19 December 2013.
- 2.6 The amendments were subsequently approved the Chief Executive in terms of the authority delegated to him.

3.0 RECOMMENDATION

It is recommended that:

- 3.1 Members note the position.

4.0 BACKGROUND

- 4.1 Riverside Inverclyde (ri) is an Urban Regeneration Company established in 2006, Inverclyde Council being one of the Members of the Company. The other establishing member is Scottish Enterprise.
- 4.2 Following a mid-term review of ri, it was noted that certain recommendations were made in relation to the governance of the Company which would necessitate alterations to the Company's Memorandum & Articles of Association.
- 4.3 At its meeting on 24 September 2013 this Committee considered a report by the Corporate Director Environment, Regeneration & Resources and approved a number of recommendations including inter alia a delegation of authority to the Chief Executive to agree suitable amendments to the company's Memorandum of Articles of Association, as described in para 4.2 above.
- 4.4 At a Board Meeting of the Company on 19 December 2013, the Board of Directors agreed alterations to its Memorandum & Articles of Association and thereafter the Chief Executive gave consent to those alterations in terms of the authority delegated to him as outlined in Para 4.3 above.

5.0 EFFECT OF ALTERATIONS

- 5.1 As outlined, the alterations made to the Memorandum & Articles of Association relate in the main to the composition of the Board of Directors.
- 5.2 Prior to the alterations, the Board of Directors comprised a maximum of 15 Directors, as follows:-
- 3 Directors appointed by Inverclyde Council;
 - 3 Directors appointed by Scottish Enterprise;
 - 1 Director appointed by the Scottish Housing Regulator;
 - 1 Director appointed by James Watt College;
 - 1 Director drawn from the local community;
 - 6 Directors from the private sector.
- 5.3 The composition following the amendments agreed by the Board is as follows:-
- 3 Directors appointed by Inverclyde Council;
 - 1 Director appointed by Scottish Enterprise;
 - 1 Director drawn from the local community;
 - 3 Directors from the private sector;
 - 1 Director nominated by the Greenock Chambers of Commerce (or any successor to that body).
- 5.4 The quorum for meetings of Directors of the Company has been reduced from 6 to 5. However, it remains the case that a quorum shall not be deemed to be constituted unless at least one Director appointed by Inverclyde Council and one by Scottish Enterprise is present.

6.0 IMPLICATIONS

Finance

6.1 There are no financial implications relating to this report.

Cost Centre	Budget Heading	Budget Year	Proposed Spend this Report	Virement From	Other Comments
n/a	n/a	n/a	n/a	n/a	n/a

Cost Centre	Budget Heading	With Effect From	Annual Net Impact	Virement From (if Applicable)	Other Comments
n/a	n/a	n/a	n/a	n/a	n/a

LEGAL

6.2 The alterations to ri's Memorandum & Articles of Association are required to give effect to decisions made by the Board of Directors.