

WIRRAL COUNCIL

CABINET – 10 JULY 2007

REPORT OF THE DIRECTOR OF REGENERATION

MERGER OF THE LAIRD FOUNDATION AND MERSEY MARITIME LIMITED

1.0 EXECUTIVE SUMMARY

- 1.1 This report informs Members of the completion of the merger of The Laird Foundation and Mersey Maritime Limited and asks Cabinet to recommend to Council who should be appointed as the council's representatives on the Boards of Directors of the new companies.

2.0 BACKGROUND

- 2.1 On 2nd November 2006 the Executive Board authorised Officers to proceed with the proposed merger of The Laird Foundation with Mersey Maritime Limited. The following minute was recorded: -

Minute Text :

The Director of Regeneration reported on a proposal to merge the Laird Foundation and Mersey Maritime Limited and sought authority for the Council's involvement in the new companies that would be established as a result. He explained the aims of the merger and the mutual benefits that were expected to accrue by linking the training facilities with employers' experience and expertise. There would be provision to protect the existing character and charitable status of the Laird Foundation. The Executive Board accepted that further consideration would need to be given to the question of the Council's representation in the companies.

Minute Decision:

Resolved -

(1) That the Director of Regeneration, in consultation with the Deputy Chief Executive/Director of Corporate Services, continue to negotiate with representatives of The Laird Foundation and Mersey Maritime Limited regarding a proposed merger of the two companies as described in the Director's report.

(2) That the Deputy Chief Executive/Director of Corporate Services, in consultation with the Director of Regeneration, enter into documentation in order to conclude the merger.

(3) That the Council become a member and guarantor of a new

company to be limited by guarantee without a share capital, to be called Mersey Maritime Group Limited.

(4) That further consideration be given to the Council's choice of representatives to serve on the Boards of Directors of the new companies.

- 2.2 The Council resigned as a member and guarantor of The Laird Foundation and became a member and guarantor of Mersey Maritime Group Limited on 20th June 2007. The Director of Children's Services resigned as a Director and trustee on the same date.
- 2.3 The Charity Commissioners consented to, and approved, the transactions.
- 2.4 Councillor Phil Davies, for the time being, remains a Director and trustee of The Laird Foundation.
- 2.5 On the same date a Members Agreement was entered into between the members of Mersey Maritime Group Limited, including the Council, to protect the interests of the Council and The Laird Foundation.
- 2.6 The Members and Guarantors of Mersey Maritime Group Limited are the Council, Ian Higby, Peel Holdings Plc, Bibby Line Limited, Northwestern Shiprepairers and Shipbuilders Limited, John Hulmes and James Teasdale.
- 2.7 Mersey Maritime Group Limited is a company a company limited by guarantee not having a share capital. It is not a charity. Each Member and Guarantor's liability is limited to one pound (£1.00).
- 2.8 The initial Directors of Mersey Maritime Group Limited are: -
 - Three persons appointed by the Council (at least one of whom shall be from the private sector (not being either an elected member of or an employee of a local authority) and (other than in respect of his or her appointment by the Council) such person shall be independent of WBC);
 - Ian Higby;
 - James Teasdale;
 - Sir Michael Bibby;
 - Andrew Wallis;
 - Peter Copland;
 - David Pendleton;
 - Frank Robotham;
 - John Syvret;
 - Patricia Ann Bacon;
 - James Robert Barclay;
 - Paul Blundell;

- John Hulmes; and
- Professor Diane Meehan.

- 2.9 James Teasdale is appointed as its Secretary.
- 2.10 The Directors to be appointed by the Council are to be two elected members plus one other. At the meeting on 2nd November 2006 the other Council nominee was agreed to be Richard Bailey, the current chairman of The Laird Foundation Board. The reason for the non-local authority representative is to comply with the requirements of the legislation that governs local authority influence in companies.
- 2.11 The Member and Guarantor of The Laird Foundation is Mersey Maritime Group Limited.
- 2.12 The initial Directors of The Laird Foundation are: -
- 2.12.1 three persons appointed by the Council of whom: -
- one shall be an elected member or an employee of the Council; and
 - one shall be from the private sector (not being either an elected member of or an employee of a local authority) and (other than in respect of his or her appointment by the Council) such person shall be independent of the Council; and
 - one shall be from the education sector (not being either an elected member of or an employee of a local authority) and (other than in respect of his or her appointment by the Council) such person shall be independent of the Council
- 2.12.2 three persons from the private sector (to be agreed by and appointed by the Members of Mersey Maritime Group Limited, Mersey Maritime Group Limited and The Laird Foundation) and not being either an elected member of or an employee of a local authority.
- 2.13 The Directors to be appointed by the Council are to be one elected member plus two others. At the meeting on 2nd November 2006 the Council private sector nominee was agreed to be Richard Bailey, the current chairman of The Laird Foundation Board. The Council education sector nominee has not yet been decided. The reason for the non-local authority representatives is to comply with the requirements of the legislation that governs local authority influence in companies.
- 2.14 The Council has no nominee or representative on the Board of Mersey Maritime Limited. The sole Member of the company is Mersey Maritime Group Limited.
- 2.15 The Laird Foundation is based at Monks Ferry in Birkenhead. The buildings, a former engine shed, and the Listed Number 4 Graving Dock have been refurbished using funding from English Partnerships, the North West Development Agency, the Merseyside Objective 1

Programme and English Heritage. The council is the accountable body in respect of all of these funds. The agencies that have provided funds to the Council in connection with The Laird Foundation have also given their consent to the transaction.

- 2.16 The council owns the freehold in the land and dock at Monks Ferry and has granted a lease of the premises to The Laird Foundation. There has been no transfer of the lease. The terms of the agreement referred to in paragraph 2.5 of this report will ensure that this cannot be forced upon The Laird Foundation or the Council. Mersey Maritime Limited has been granted a sub-lease in respect of two offices at The Laird Foundation.
- 2.17 Members are asked to recommend to Council the appointment of two Directors to the Board of Mersey Maritime Group Limited and one Director to the Board of The Laird Foundation.
- 2.18 Members are also asked to confirm the nomination of Richard Bailey, the former chairman of Atlantic Engineering Limited and a member of the current Board of The Laird Foundation, as the Council's "private sector" appointee on the Boards of both Mersey Maritime Group Limited and The Laird Foundation. It is felt that his detailed knowledge of the Engineering Sector and Maritime in general, and of The Laird Foundation in particular, make him an ideal nominee.
- 2.19 Members are also asked to authorise Officers to nominate the Council education sector appointee to the Board of The Laird Foundation.

2.20

3.0 FINANCIAL & STAFFING IMPLICATIONS

- 3.1 There are no costs to the council arising out of this proposal other than the time costs of Officers taking part in the negotiations and preparation of the documents.
- 3.2 The council has resigned as a member and guarantor of The Laird Foundation and has subscribed as a member and guarantor of Mersey Maritime Group Limited. The council's liability will remain at one pound (£1.00).

4.0 EQUAL OPPORTUNITIES IMPLICATIONS

- 4.1 Both the existing companies and the proposed companies have Equal Opportunities Policies.

5.0 LOCAL AGENDA 21 IMPLICATIONS

- 5.1 There are none arising directly from this report.

6.0 LOCAL MEMBER SUPPORT IMPLICATIONS

6.1 The Laird Foundation is situated in the Birkenhead and Tranmere Ward. However, the training opportunities are access by people throughout Wirral and by local schools.

7.0 HUMAN RIGHTS IMPLICATIONS

7.1 There are no human rights implications arising from this report.

8.0 COMMUNITY SAFETY IMPLICATIONS

8.1 There are no community safety implications arising from this report.

9.0 PLANNING IMPLICATIONS

9.1 There are no planning implications arising from this report.

10.0 RECOMMENDATIONS

10.1.1 That Cabinet recommends to Council the Council's representatives on the Boards of Directors of Mersey Maritime Group Limited and The Laird Foundation; and

10.2 That Cabinet confirms the nomination of the Council's private sector appointee to the Boards of Directors of Mersey Maritime Group Limited and The Laird Foundation as reported above and authorises Officers to nominate the Council's education sector appointee to the Board of the Laird Foundation.

Alan Stennard
Director of Regeneration

This report was prepared by Bob De Valve who can be contacted on 691 8577.