

Report for: Mayor and Cabinet

Part 1

Part 2

Key Decision

Date of Meeting	10 th May 2023	
Title of Report	Catford Regeneration Partnership Limited (CRPL) Director Appointment	
Author	Kplom Lotsu – Head of Property, Estates and Capital Programmes	Ext. 49283

At the time of submission for the Agenda, I confirm that the report has:

Category	Yes	No
Financial Comments	X	
Legal Comments	X	
Cabinet Briefing consideration	X	
EMT consideration	X	

Signed: 

Cabinet Member: Brenda Dacres – Cabinet Member for Housing Development and Planning

Date: 25.04.2023

Signed: 

Executive Director: Nazeya Hussain – Interim Executive Director for Place

Date: 24.04.2023

Control Record by Committee Services

Action	Date
Listed on Key Decision Plan	
Date submitted to Legal & Finance	
Date submitted to Cabinet Members for sign off	
Date submitted to Executive Director for sign off	



Mayor and Cabinet

Catford Regeneration Partnership Limited (CRPL) Director Appointment

Date: 10th May 2023

Key decision: No

Class: Part 1.

Ward(s) affected: Rushey Green/ Catford South

Contributors: Director of Inclusive Regeneration; Head of Property, Estates and Capital Programmes.

Outline and recommendations

Outline and recommendations:

This report seeks the appointment of a director for the wholly owned Council Company Catford Regeneration Partnership Limited (CRPL) following the resignation of two Directors.

Recommendation:

Mayor and Cabinet approves the appointment of John Bennett as Company Director to replace Zahur Khan, an officer Director who resigned from the role.

Timeline of engagement and decision-making

- Nomination of a new director by Exec Director for Place – April 2023

1. Summary

- 1.1. The Catford Regeneration Partnership Limited (CRPL) is a wholly owned company of Lewisham Council. The company was originally created in January

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2010 to purchase the leasehold interests in and around the Catford Centre in order to manage and regenerate the assets to improve the economic, social and environmental wellbeing of the people of the London Borough of Lewisham (LBL).

- 1.2. The day to day activities of the Company is managed by three Directors comprising two Council officers and a local Councillor supported by other Council employees in the Property, Estates and Capital Programme team. Following the resignation of two directors, it has been agreed to appoint a new officer director to support the only remaining director in managing and overseeing the activities of the company.
- 1.3. This report recommends the appointment of John Bennett, Head of Economy Jobs and Partnerships as director of the company to support the activities of CRPL. The appointment will be made using the same Director's Mandate agreed at the inception of the company.

2. Recommendations

Mayor and Cabinet is asked to:

- 2.1 approve the appointment of John Bennett as a Director of Catford Regeneration Partnership Limited (CRPL);
- 2.2 agree that John Bennett is indemnified as a director in accordance with the attached Deed of Indemnity agreed at the inception of the Company.
- 2.3 to note, that the appointment of a third director will be reported in due course.

3. Policy Context

- 3.1 The Council's Local Development Framework sets the vision, objectives, strategy and policies that will guide development and regeneration in the borough to 2025 and together with the Mayor of London's 'London Plan', forms the statutory development plan for the Borough. It anticipates major change and includes a focus on Catford Town Centre as a major development opportunity. The London Plan reinforces this view by identifying Catford as having potential for significant urban renewal.
- 3.2 In July 2021 the Mayor and Cabinet agreed the Catford Town Centre Framework. The framework sets out a long term strategy for the transformation of the town centre along with a 15-20 year development programme.
- 3.3 The content of this report is consistent with the Council's policy framework, namely the Corporate Strategy 2022 – 2026. Delivering this strategy includes the following priority outcomes that relate to the Council's regeneration activities:
 - Cleaner and Greener – working to tackle the climate crisis through our development policies.
 - A Strong Local Economy – continue to expand our apprenticeship programme and invest in our high streets, doing what we can to be the best place in London for new businesses.

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- Quality Housing and Safer Communities – we will deliver more social homes for Lewisham residents, providing as many people as possible with safe, comfortable accommodation that they can be proud of and happy to live in.
 - Open Lewisham – we will co-design services and ensure strong consultation processes that reach out to people whose voices are seldom heard.
- 3.4 The Local Authority has a duty to ensure the long-term growth of its town centres is planned and managed, to ensure that viable and vital functions of its town centres are integrated as part of a sustainable development strategy.
- 3.5 CRPL’s core objectives accords with the above. It is against this policy background that the proposed appointment of John Bennett to the directorship of CRPL is being made as well as furthering the objectives of CRPL as set out in its Articles of Association.

4. Background and Narrative:

- 4.1. CRPL is a wholly owned company of Lewisham Council. The company was originally created in January 2010 to purchase leasehold interests in and around the Catford Centre in order to manage and regenerate the properties to improve the economic, social and environmental wellbeing of the people of the London Borough of Lewisham.
- 4.2. The Company’s Articles of Association appear at Appendix 1. The appointment of Directors is the responsibility of the London Borough of Lewisham as the sole shareholder.
- 4.3. The primary duty for the Directors when considering company business is to the Company, with a secondary duty being owed to the Council.
- 4.4. In essence, Directors owe a fiduciary duty to act in the best interest of the company. A Director’s Mandate (attached as Appendix 2) is also given to each director including reference to their indemnity, setting out their duties as a Director. The Mandate includes a requirement to respect their position as Council appointee and not to act in contravention of a properly given Council instruction.
- 4.5. Many key decisions in relation to the Company are classified as reserved matters and must be approved by the Council as sole shareholder. The complete list of shareholder reserved matters are listed in the Articles of Association at paragraph 25. These reserved matters ensure that the Council retains control over the direction of the Company and that the Company operates strictly within its approved business plan.
- 4.6. At its inception, two Directors were appointed, both of them Council officers. Initially one was a senior finance officer and the other a senior regeneration officer. However, to avoid any perception of conflict of interest for the regeneration officer, it has become the Council’s practice not to appoint a senior regeneration officer. In 2019, following an audit recommendation, a local Ward Councillor was appointed as a non-executive director increasing the number of directors to three.

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- 4.7. The most recent directorships were David Austin, Director of Finance; Zahur Khan, Director of Public Realm and Cllr Eva Stamirowski, Councillor for Catford South.
- 4.8. The three directors, together, have been actively managing the affairs of the company over the past two years. In December 2022, one of the Directors – Zahur Khan – resigned from the Council’s employ as Director of Public Realm. More recently in March 2023, Cllr Eva Stamirowski also resigned as Director of the company due to increased workload, leaving David Austin as a sole director of the company.
- 4.9. To ensure effective management and governance of the affairs of the company, it is proposed that John Bennett – Head of Economy, Jobs and Partnerships is appointed to replace Zahur Khan as Director of CRPL. John will bring an understanding of the local economic context to the role, and of the council’s plans to bring more jobs to the borough and to create more vibrant town centres.
- 4.10. If the Council agrees to the appointment of John Bennett, it is proposed that it should be on the same terms as all former and current directors and that they he is given the same indemnity against personal liability as is currently afforded David Austin.
- 4.11. The proposed appointment acknowledge the current status of the wider Catford Town Centre Regeneration Framework plan recently agreed by Mayor and Cabinet and its implications for the operations of the company. As a result of this, further changes are likely in the nature and form of CRPL’s operations in the medium term as the delivery structure for the framework begins to take shape. Any proposed changes together with their effect and implications for CRPL will be reported to M&C in the usual way.

5. Financial Implications:

- 5.1. Directors are nominated by the Council and do not receive additional remuneration for undertaking this role. There is therefore no direct financial implications resulting from this appointment.
- 5.2. The indemnity against personal liability provided to the proposed new director will be on the same terms as all former and current directors and is therefore not expected to lead to an increase in the relevant insurance premium.

6. Legal Implications:

- 6.1. Appointments to CRPL are an executive function, under Part III of the Council’s Constitution and must therefore go to Mayor and Cabinet for approval. There is no constitutional change required.
- 6.2. Under the Local Authorities (Indemnities for Members and Officers) Order 2004 (Statutory Instrument 3082) local authorities are empowered to indemnify Members and officers in a wide range of circumstances and any additional appointment would be subject to the existing Director’s Mandate and Indemnity.

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7. Equalities implications

7.1. There are no immediate equalities implications directly arising from this report.

8. Climate change and environmental implications:

8.1. There are no immediate climate change and environmental implications directly arising from this report.

9. Crime and disorder implications

9.1. None specific to this report.

10. Health and wellbeing implications

10.1. None specific to this report.

11. Background papers

11.1. None

12. Report author and contact

12.1. Kplom Lotsu – Head of Property, Estates and Capital Programmes
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13. Comments for and on behalf of the Executive Director for Corporate Resources

13.1. Katharine Nidd – Head of Financial Strategy, Planning and Commercial
020 8314 6651 – katharine.nidd@lewisham.gov.uk

14. Comments for and on behalf of the Director of Law, Governance and Elections

14.1. Melanie Dawson – Principal Lawyer and Deputy Monitoring Officer
0208 314 7937 – melanie.dawson@lewisham.gov.uk

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