

ANNUAL REPORT

Head of Service:	Jackie King, Chief Executive
Report Author	Mark Shephard
Wards affected:	(All Wards);
Urgent Decision?(yes/no)	No
If yes, reason urgent decision required:	
Appendices (attached):	1: Report to Shareholder Sub Committee 2: EEPIC Shareholder Annual Review 1 April 2023 - 31 March 2024 3: EEPIC Report of the Directors & Financial Statements for the year ended 31 March 2024 4: Confidential: Annual Business Plan 2025-26 5: Confidential: Report to Shareholder 6: Confidential: Appendix to report to Shareholder

Summary

Annual reporting on Epsom & Ewell Property Investment Company Ltd (EEPIC).

Recommendation (s)

The Sub-Committee is asked to:

- (1) note Epsom & Ewell Property Investment Company Ltd Report to Shareholder (Appendix 1);**
- (2) note Epsom & Ewell Property Investment Company Ltd Shareholder Annual Review (Appendix 2 and 3);**
- (3) note the resignation of the former Finance Director (Brendan Bradley) and approve the appointment of Sue Emmons, the Shareholder's Chief Accountant, to Finance Director for Epsom & Ewell Property Investment Company Ltd;**

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- (4) approve the appointment of Andrew Bircher, the Shareholder's acting Director of Corporate Services, to Corporate Director for Epsom & Ewell Property Investment Ltd;**
- (5) approve the confidential Annual Business Plan 2025-2026 (Appendix 4);**
- (6) note the confidential Report to Shareholder (Appendix 5).**

1 Reason for Recommendation

- 1.1 To meet the requirements of the Shareholder's Agreement dated 28 December 2018.

2 Background

- 2.1 The Shareholder's Agreement between the Council and Epsom & Ewell Property Investment Company Limited ('the Company') provides for a series of requirements where the Company must seek the Council's consent.
- 2.2 The Company has produced an Annual Report and Review for the Shareholder Sub Committee and these are attached at Appendices 1, 2 and 3.
- 2.3 The Shareholder's Agreement requires Shareholder Consent for the appointment of a Director (Paragraph 24 of Schedule 1 of the Shareholder Agreement).
- 2.4 Shareholder consent is requested to appoint Sue Emmons, the Council's Chief Accountant, as the Company's Finance Director. This appointment is to replace Brendan Bradley following his resignation from the Shareholder and Company.
- 2.5 Shareholder consent is requested to appoint Andrew Bircher, the Council's acting Director of Corporate Services, as the Company's Corporate Director and restore the Company to its original number of Directors.
- 2.6 The Shareholder's Agreement requires the Company to circulate its revised Business Plan to the Shareholder by the end of November of each year. The Sub Committee is invited to comment or provide Shareholder Consent for the proposed Business Plan (Clause 2.3, 2.4, 2.5, Paragraph 16 of Schedule 1 of the Shareholder's Agreement).
- 2.7 The Annual Business Plan 2025-26 and Report to Shareholder are attached at Appendices 4 and 5 respectively.

3 Risk Assessment

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Legal or other duties

3.1 Equality Impact Assessment

3.1.1 Not applicable.

3.2 Crime & Disorder

3.2.1 Not applicable.

3.3 Safeguarding

3.3.1 Not applicable.

3.4 Dependencies

3.4.1 None.

3.5 Other

3.5.1 None.

4 Financial Implications

4.1 The proposed budget is included at section 6 of the Business Plan.

4.2 **Section 151 Officer's comments:** EEPIC's business plan and proposed budget would enable it to meet the Council's budgeted expectations.

5 Legal Implications

5.1 The Committee is asked to agree to the appointment of a Director and approve the Company's business activities under the Shareholder's Agreement. Clearly, these can be approved by the Sub-Committee under its Terms of Reference (a) - (g).

5.1 **Legal Officer's comments:** Contained in the body of this report. The comments are not intended as, and should not be treated as, legal advice to the Committee on company law matters. Nor is this officer advising whether the Council should first obtain company law advice.

6 Policies, Plans & Partnerships:

6.1 **Council's Key Priorities:** The following Key Priorities are engaged: Opportunity & Prosperity, Effective Council.

6.2 **Service Plans:** The matter is included within the current Service Delivery Plan.

6.3 **Climate & Environmental Impact of recommendations:** Not applicable.

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6.4 **Sustainability Policy & Community Safety Implications:** Not applicable.

6.5 **Partnerships:** None.

7 Background papers

7.1 The documents referred to in compiling this report are as follows:

Previous reports:

- EEPIC Shareholder Agreement, Shareholder Sub Committee, 27 November 2018

Other papers:

- Establishment of a Local Authority Property Investment Trading Company, Strategy & Resources Committee, 19 September 2017
- Establishment of a Local Authority Property Investment Trading Company, Council, 19 September 2017