

Commercial Revenue Committee

Agenda

Thursday 29 April 2021 at 6.00 pm

This meeting will be held remotely

You can watch live on YouTube: youtu.be/Ome-EDUTnlc

MEMBERSHIP

Administration:
Councillor Max Schmid (Chair) Councillor Adam Connell

Agendas are available on the Council's website

www.lbhf.gov.uk/committees

CONTACT OFFICER:

Bathsheba Mall
Committee Co-ordinator
Governance and Scrutiny
E-mail: Bathsheba.Mall@lbhf.gov.uk

Commercial Revenue Committee Agenda

29 April 2021

<u>Item</u>		<u>Pages</u>
1. APOLOGIES FOR ABSENCE		
2. DECLARATIONS OF INTEREST		
	<p>If a Councillor has a disclosable pecuniary interest in a particular item, whether or not it is entered in the Authority's register of interests, or any other significant interest which they consider should be declared in the public interest, they should declare the existence and, unless it is a sensitive interest as defined in the Member Code of Conduct, the nature of the interest at the commencement of the consideration of that item or as soon as it becomes apparent.</p> <p>At meetings where members of the public are allowed to be in attendance and speak, any Councillor with a disclosable pecuniary interest or other significant interest may also make representations, give evidence or answer questions about the matter. The Councillor must then withdraw immediately from the meeting before the matter is discussed and any vote taken.</p> <p>Where Members of the public are not allowed to be in attendance and speak, then the Councillor with a disclosable pecuniary interest should withdraw from the meeting whilst the matter is under consideration. Councillors who have declared other significant interests should also withdraw from the meeting if they consider their continued participation in the matter would not be reasonable in the circumstances and may give rise to a perception of a conflict of interest.</p> <p>Councillors are not obliged to withdraw from the meeting where a dispensation to that effect has been obtained from the Audit and Pensions Committee.</p>	
3. MINUTES OF THE PREVIOUS MEETING		4 - 5
	<p>To approve the minutes of the meeting held on 17 March 2021.</p>	
4. THE WINDING-UP & DISSOLUTION OF H&F BRIDGE PARTNERSHIP LIMITED		6 - 8
	<p>This report recommends that the council shareholders of H&F Bridge Partnership Limited (HFBP) agree to the distribution of HFBP's retained profits before the formal commencement of the company winding-down process takes place.</p>	
5. DISCUSSION OF EXEMPT ELEMENTS (IF REQUIRED)		

LOCAL GOVERNMENT ACT 1972 - ACCESS TO INFORMATION

Proposed resolution:

Under Section 100A (4) of the Local Government Act 1972, that the public and press be excluded from the meeting during the consideration of the following items of business, on the grounds that they contain the likely disclosure of exempt information, as defined in paragraph 3 of Schedule 12A of the said Act, and that the public interest in maintaining the exemption currently outweighs the public interest in disclosing the information.



London Borough of Hammersmith & Fulham

Commercial Revenue Committee

Draft Minutes

Wednesday 17 March 2021

PRESENT

Committee members: Councillors Max Schmid and Adam Connell

Officers: Sarah Bright, Assistant Director, Children's Commissioning; Grant Deg, Senior Litigation Solicitor; Sharon Lea, Strategic Director of Environment
Jade Monroe, Chief Solicitor, Legal Services; and David Pearlman, Head of Commercial Sales

1. **APOLOGIES FOR ABSENCE**

None received.

2. **ROLL CALL AND DECLARATIONS OF INTEREST**

Councillor Max Schmid confirmed the attendance of members in attendance and there were no declarations of interest reported.

3. **MINUTES**

RESOLVED

The minutes of the previous meeting held on 16 September 2019 were agreed as an accurate record.

4. **FAMILY SUPPORT SERVICES**

Sarah Bright provide a brief overview and referenced the innovative practices that had been introduced in terms of early intervention prompted by trauma-informed factors. During the pandemic the delivery model evolved to virtual delivery and provided support to several families despite challenging circumstances. The intention was to bring the Family Support Service (FSS) in house and retain it as an integrated part of the children's social care

services offer. This will allow a greater range of families with increasingly complex needs to be better supported with frontline service delivery.

Councillor Connell welcomed the clarity of the report and commended the innovative and creative work undertaken by FSS in early years intervention and recognised the importance of embedding the provision within children's services offer and continue to support children and young people within the borough. Councillor Schmid received confirmation from Sarah Bright that FSS data would be reviewed and fully captured to ensure a complete transition and that a Children's Services officer had been seconded to FSS to safeguard the process. No change to FSS was planned and the transition would be handled sensitively.

With reference to the report David Pearlman confirmed that FSS was not established with the objective to generating commercial income. It had been submitted to the Committee in accordance with the Council Constitution. This would provide direction to the council appointed board of directors acting as the shareholder.

RESOLVED

1. That the Committee noted the Council's Children's Services Department decision to bring back into the Council Early Help case work and Early Years children centre provision currently provided by Family Support Services (FSS); and
2. That the Committee approved that upon Family Support Services becoming operationally inactive and satisfying all creditors a formal application is made to HMRC for the company status to be made dormant.

Meeting started: 18:00

Meeting ended: 18:10

Chair

Contact officer: Bathsheba Mall
Committee Co-ordinator
Governance and Scrutiny
☎: 0777672816
E-mail: bathsheba.mall@lbhf.gov.uk

Agenda Item 4

LONDON BOROUGH OF HAMMERSMITH & FULHAM

Report to: Commercial Revenue Committee

Date: 29/04/2021

Subject: The winding-up & dissolution of H&F Bridge Partnership Limited (HFBP)

Report author: Geoff Hay, Senior Contract & Finance Manager

Responsible Director: Rhian Davies – Director of Resources

SUMMARY

This report recommends that the council shareholders of H&F Bridge Partnership Limited (HFBP) agree to the distribution of HFBP's retained profits before the formal commencement of the company winding-down process takes place.

H&F Bridge Partnership Limited (HFBP) is a joint venture company (JVC) that delivered IT services to the council over a period of 10 years. The company has been dormant for at least 2 years.

RECOMMENDATIONS

1. Appendix 1 is not for publication on the basis that it contains information relating to the financial or business affairs of any particular person (including the authority holding that information) as set out in paragraph 3) and Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings as set out in paragraph 5 of Schedule 12A of the Local Government Act 1972 (as amended).
 2. For H&F's shareholders to agree to the distribution of H&F Bridge Partnership's retained profit in line with the council's shareholding, and for this decision to be recorded by H&F shareholders signing the Final Dividend Approval form. This is summarised and detailed in exempt Appendices 1a and 1b.
 3. For the council to pay the outstanding debt as detailed in exempt Appendix 1a to H&F Bridge Partnership Limited, and this to be processed separately from the final dividend amount being paid to H&F.
 4. For H&F's shareholders of H&F Bridge Partnership Limited to sign the Shareholder Written Resolution document. The document lists 7 resolutions for the formal commencement of company winding-down process to start via the Members Voluntary Liquidation (MVL) process. The resolutions also include handing over the administration of the company to the appointed liquidator. A copy of that document at exempt Appendix 1c.
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Wards Affected: None

Our Values	Summary of how this report aligns to the H&F Values
Building shared prosperity	The expected net income from HFBP will be used to invest in services.
Being ruthlessly financially efficient	Rather than paying HFBP to clear the debt in 2016 it was agreed that the payment could be held off until the retained profits were distributed.

Financial Impact – shown in Appendix 1 (Exempt)

Legal Implications - shown in Appendix 1 (Exempt)

Contact Officers:

Name: Geoff Hay
 Position: Senior Contract & Finance Manager, Digital Services
 Telephone: 020 8753 4223
 Email: geoff.hay@lbhf.gov.uk

Name: Andre Mark
 Position: Finance business partner
 Telephone: 020 8753 6729
 Email: andre.mark@lbhf.gov.uk
 Verified by Emily Hill, Director of Finance

Name: Angela Hogan
 Position: Chief Solicitor (Contracts and Procurement)
 Email: angela.hogan@lbhf.gov.uk

Background Papers Used in Preparing This Report - None

Background

1. HFBP is a private limited company with a share capital comprising of 1000 ordinary shares. 801 of those shares are owned by Agilisys Limited and 199 are owned by the Council. This is where the respective shareholdings of 80.1% and 19.9% are derived.
2. The shareholders are asked to distribute retained profits being recorded in the Final Dividend Approval Form Appendix 1b and approve signing of the Shareholders Written Resolution. This was discussed at the 25th of March board meeting, where these recommendations were put to the Agilisys shareholders and the council board directors present. A copy of the agenda and the minutes of that meeting is enclosed in Appendix 1d (Exempt).

3. The Council has been asked by the HFBP Company secretary to leave the date clear for the appointed liquidators to complete because they want the dates to line-up with other documentation being prepared.

Reasons for Decision

4. H&F Bridge Partnership Limited is a joint venture company that is no longer trading and has now been dormant for the last 2 years. It is recommended that council shareholders agree to the distribution of retained profits before the formal winding-down of the company takes place.

Equality Implications

5. There are no equality and diversity implications related to this report

Risk Management Implications

6. An orderly closure of the company is required to formalise closure and distribution of dividends in accordance with the respective shareholders legal and contractual obligations.

Implications verified by Michael Sloniowski, telephone 020 8753 2587

Digital Service Implications

7. The HFBP company is no longer required as the Council's IT service is now delivered through a mix of internal resources, and third-party procured services.
8. The closure of the company is supported to enable the dividends to be shared among the shareholders,

Implications completed by: Veronica Barella, Chief digital officer, telephone 020 8753 2927

Climate and Ecological Emergency Implications

9. There are no Climate and Ecological Emergency Implications related to this report

Implications verified by: Hinesh Mehta (title and telephone of officer)

LIST OF APPENDICES – ALL EXEMPT

- **Appendix 1a – Financial Implications of HFBP Distribution of profits and Winding Down - EXEMPT**
- **Appendix 1b – Final Dividend Recommendation to Shareholders, for signing form - EXEMPT**
- **Appendix 1c – Shareholders Written Resolution to Shareholders, for signing form - EXEMPT**
- **Appendix 1d – H&F Bridge Partnership Ltd 25th March Board agenda and minutes – EXEMPT**