

# Public Document Pack

**RESTRICTED MINUTES – PRIVATE AND CONFIDENTIAL**

**THESE MINUTES ARE NOT SUBJECT TO “CALL IN.”**

## **CABINET**

### **MEETING HELD AT THE BIRKDALE ROOM, TOWN HALL, SOUTHPORT ON THURSDAY 22ND JUNE, 2017**

**PRESENT:** Councillor Maher (in the Chair)  
Councillors Atkinson, Cummins, Fairclough, Hardy,  
John Joseph Kelly, Lappin, Moncur and Veidman

#### **21. EXEMPT MINUTES OF PREVIOUS MEETING**

##### **Decision Made:**

That the restricted minutes of the Cabinet meeting held on 25 May 2017 be confirmed as a correct record.

#### **22. COMMERCIAL ACQUISITION UPDATE REPORT**

Further to Minute No. 12 of the meeting held on 25 May 2017, the Cabinet considered the report of the Chief Executive which provided an update with regard to the acquisition of the Strand Shopping Centre, Bootle and the Council becoming the sole owner of the Shopping Centre through ownership of the entities GL Europe Bootle S.à r.l. and its subsidiary, GL Europe Bootle UK Ltd. The Full Business Case sets out the intention to transfer the property to the Council and liquidate the Company and its subsidiary..

##### **Decision Made: That**

- (1) the Cabinet as Shareholder request the transfer of the property and recommend to the Board of the Company, a hive-up of the property to the Council as a dividend in specie and subsequent liquidation of the Company.
- (2) it be noted that the Managers (Directors) of the Board will require sufficient information to decide whether it is appropriate to follow the Shareholder's wishes and meet its fiduciary requirements and will respond directly to the Council's request.
- (3) the Company be requested to prepare a transition plan and timetable to effect this transaction as quickly as possible.
- (4) it be noted that additional expenditure will be incurred by the Council to transact this process through the use of expert legal and

financial advice, a cost that will be met from within the 17/18 Growth budget.

**Reasons for Decision:**

The Acquisition is now complete.

- In order to execute the preferred (base case) structure of the Full Business Case, the Company needs to receive this request from the Shareholders and to confirm its response to the Shareholder's request.
- The Board of Directors of the Company will then take all steps within its corporate jurisdiction to effect the necessary transactions required of the Company.

**Alternative Options Considered and Rejected:**

During the process of pre-acquisition due diligence, all possible structures for future ownership of the Strand Shopping Centre were considered. Factors that were taken into account provide the Council with maximum income through enhanced business performance and corporate structuring, freedom to act in the best interests of the business and position of the asset as a major contributor of future regeneration of Bootle Town Centre. These options are explored in the Full Business Case, the route of intent remaining – the asset is hived-up to the Council's balance sheet, shares are extinguished and the entire corporate structure collapsed through liquidation.

**23. COMMERCIAL ACQUISITION - SHAREHOLDER APPROVAL OF 2016/17 ACCOUNTS**

Further to Minute No. 22 above, the Cabinet considered the report of the Chief Executive which indicated that following the acquisition of the Company that owns the Strand, the Council as a shareholder, has a statutory duty to approve the 2016/17 financial accounts of the Company.

**Decision Made:** That

- (1) the Cabinet as Shareholder gives approval to the 2016/17 financial accounts of GL Europe Bootle;
- (2) the Cabinet as Shareholder acknowledges that the Annual Accounts show a loss of GBP 804,261 for the financial year ended 31 December 2016;
- (3) notwithstanding the loss of the Company during the financial year, the Sole Shareholder decides to continue the business of the Company;

- (4) the Cabinet as Shareholder resolves grants discharge to the managers (Directors) of the Company for their duties during, and in connection with the Annual Accounts; and
- (5) the Cabinet as Shareholder grants power and authority to any manager of the Company or any employee of Citco REIF Services (Luxembourg) SA to accomplish the filing of the relevant documents regarding the above resolutions taken by the Sole Shareholder of the Company.

**Reasons for Decision:**

The annual accounts of the Company require formal approval by the Cabinet as Shareholder by 30 June 2017.

**Alternative Options Considered and Rejected:**

The Cabinet could determine not to approve the accounts. This could incur increased fees for late filing of the return.

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