

30 September 2014

**To: Members of the Sheffield City Region Combined Authority
Appropriate Officers**

This matter is being dealt with by:

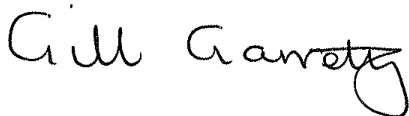
Gill Garrety ggarrety@syjs.gov.uk 01226 772806

Dear Member

SHEFFIELD CITY REGION COMBINED AUTHORITY
Monday 6 October 2014

Please find enclosed the item(s) marked to follow on the above agenda – Item 2.6
SYITA Properties Ltd.

Yours sincerely



Gill Garrety
Democratic Services Officer

Encs.

SHEFFIELD CITY REGION COMBINED AUTHORITY

ROTHERHAM TOWN HALL 4.00 PM, 6 OCTOBER 2014

SUPPLEMENTARY AGENDA

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SHEFFIELD CITY REGION COMBINED AUTHORITY
26th September
SY ITA PROPERTIES LTD

Summary

- **SY ITA Properties Ltd is a subsidiary company of the CA, inherited from the former South Yorkshire Integrated Transport Authority (ITA)**
- **The company is limited by shares, of which the CA is the principal holder**
- **The company was incorporated to deal with bus deregulation but became a vehicle for the management of the former ITA's property holdings**
- **As part of the financial governance due-diligence process officers have sought to examine the relationship between the CA and the company, and its efficiency as a means of supporting the CA's operations**
- **In the short term, officers believe governance and oversight would be strengthened through the appointment of additional directors to support the CA's shareholding position**

1. Issue

- 1.1. SY ITA Properties Ltd is a subsidiary company of the CA. The company manages a property portfolio on the CA's behalf. These assets are leased to third parties to generate rental income.
- 1.2. The appointment of three additional directors is proposed to bring enhanced expertise to the company, whilst also delivering greater transparency and challenge.

2. Recommendations

- 2.1. That the CA exercises its shareholder right to approve the appointment of three new non-executive directors
- 2.2. That the exercise of the making of the appointments be delegated to the Head of Paid Service in consultation with the section 151 officer and the Monitoring Officer

3. Background Information

- 3.1. SY ITA Properties Ltd was incorporated as South Yorkshire Transport Ltd in 1986 under the Transport Act of that year to manage bus service deregulation. The company was a wholly owned subsidiary of the then South Yorkshire Passenger Transport Authority (PTA).

- 3.2. Today, there is one executive director employed by the company, and one non-executive director to represent the shareholder (the CA). The non-executive director is a current employee of the Joint Secretariat. The directors have previously reported into a Shareholders' Committee drawn from ITA members.
- 3.3. Whilst recognising the existing governance arrangements in place, officers believe that it would be prudent to appoint new CA designated non-executive directors into the company to aid transparency and to provide additional expertise.
- 3.4. These roles will not attract additional remuneration.

4. Implications

- i. Financial

None

- ii. Legal

The CA is requested to exercise its shareholder rights over SY ITA Property Ltd to appoint three additional non-executive directors into the company.

- iii. Diversity

None

- iv. Equality

None

Gareth Sutton
Finance Manager

Officer responsible: **Eugene Walker, Section 151 Officer**
Eugene.walker@sheffield.gov.uk

Background papers used in the preparation of this report are available for inspection at:
None

Other sources and references:
None