

EAST HERTS COUNCIL

OPENNESS OF LOCAL GOVERNMENT BODIES REGULATIONS

2014

OFFICER DECISION WRITTEN RECORD

Reference:	OD/(to be added by Democratic Services)
Subject Matter:	Creation and issuing of ordinary shares by Millstream Property Investments Ltd
Date of Decision:	21 st March 2023
Exempt/Confidential information (Yes/No):	Yes – contains an EXEMPT appendix
If Exempt/Confidential – reason why:	The appendix contains confidential information relating to the financial affairs of a third party, that is, Millstream Property Investments Ltd
Name of Officer taking decision under delegated authority:	Richard Cassidy Chief Executive Officer
Source of delegated authority (constitution/express delegation/etc):	Richard Cassidy was appointed by the Leader as the Shareholder Rep in relation to the council's dealings with Millstream on 29 th May 2019 under authority to do so delegated by the Executive on 5 th September 2017. The issuing of shares by Millstream is reserved for the

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	<p>shareholder (the council) by the terms of the Shareholder Agreement made between the council and Millstream.</p> <p>The Shareholder Rep is the appropriate person to exercise this power on behalf of the shareholder in line with his role <i>to attend general meetings or enter into communication with the company in place of such meetings</i> as agreed by the Executive at its meeting of 5th September 2017 as Millstream has, legitimately, determined that approval of the issuing of shares should be carried out outside of a general meeting</p>
Exercise of delegated authority approved by: <i>(if different from Officer taking decision)</i>	n/a
Decision:	That written consent is provided to Millstream Property Investments Ltd's request to issue ordinary shares in the company
Reason(s) for Decision:	Millstream has requested the permission of its shareholder (the council) to create and issue ordinary shares in the company. It is the company's intention to sell all the shares created to the

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	council, with the proceeds of this sale being used to pay off the company's shareholder loans owed to the council. This is a mechanism specifically designed in consultation with the council's Head of Strategic Finance and Property to more clearly delineate the Millstream's funding from equity (that is, shares held by the council) and debt (that is, loans taken out from the council). While this change has no impact on the cashflows to the council emanating from Millstream's activities, it will simplify Millstream's accounts
Details of alternative options, if any considered and rejected:	Not create and issue shares – NOT RECOMMENDED as this not allow Millstream to clearly differentiate its equity funding from its debt funding which, in turn, unnecessarily complicates its accounts
Name of Officer who has confirmed with all Members involved in taking this decision whether they have pecuniary or non-pecuniary interest:	No member has been involved in this decision as it has been delegated to an officer, the Shareholder Rep
Name(s) of any Member who has removed himself/herself from contributing to this	n/a

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decision because of a conflict of interest:	
Decision Maker (where decision is taken in consultation with a Member):	Richard Cassidy Chief Executive Officer <i>acting as the council's Shareholder Rep in relation to Millstream Property Investments Ltd</i>
Member consulted by Decision Maker (where decision is taken in consultation with a Member):	n/a