

APPENDIX 1 - Middlesbrough Development Company Closure - Action Plan

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Action	Timescale	Lead	Completed?	Notes
Secure external legal and financial advice on formal company close down	By 9 th June 2023	Head of Legal Services	Yes	Meeting held with FRP and Endeavour Law regarding process for close down, and acceptable proposal received.
Financial arrangements reviewed to ensure risk minimisation and appropriate closure forecasting	By 16 th June	Finance Business Partner - Regeneration	Yes	Arrangements reviewed to ensure no spend incurred outside of planned, agreed activities
De-register deceased director from the board	By 16 th June 2023	Head of Legal Services	Yes	RA removed through Companies House
Write to directors affected by the local election results to confirm acceptance of de-registration from the board	By 16 th June 2023	Director of Regeneration	Yes	Acknowledgement received from EP, no response received from AP
Board meetings suspended due to lack of independent board members	By 20 th June 2023	Development Services Manager	Yes	Alternative decision making process put in place through Shareholder meetings, JW to remain registered as director (in name only) until replaced to ensure compliance
Shareholder meetings established on monthly basis	By 23 rd June 2023	Development Services Manager	Yes	Shareholder meetings established, with clear guidance on the purpose of the meeting
De-register AP and EP from the board	By 30 th June 2023	Head of Legal Services	Yes	EP and AP removed through Companies House
Provide notice to terminate contract of Managing Director	By 30 th June 2023	Director of Regeneration	Yes	Notice provided to Managing Director with effect from end October, including two months as 50% time to cover off arbitration requirements.
Review against emerging Wholly or Partly Owned Council Companies Policy	By 31 st July 2023	Director of Regeneration	Yes	Review undertaken to identify areas where on-going non-compliance requires management of risk

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Adopt Council policies around risk management, procurement and project management	By 31 st July	Director of Regeneration	Yes	Policies adopted, but no further procurement or project management expected
Financial review to ensure solvency at closure	By 31 st August 2023	Finance Business Partner - Regeneration	Yes	Review undertaken to identify likely requirements and availability of funding.
Alternative independent board members sought	By 31 st August 2023	Director of Regeneration	Yes	Discussed with FRP who will propose independent members, to be approached by the Council to fulfil specific role in seeing the board through closure
Appoint FRP	By 31 st August 2023	Director of Regeneration	Yes	Proposal and terms agreed, FRP appointed but not required until September/October
Independent board members appointed	By 31 st August 2023	Director of Regeneration		Underway
Conclude all company activities	By 31 st August 2023	MDC Managing Director		All activities concluded except final elements of Newbridge Court which will continue into early August
FRP commence MVL process	By 30 th September 2023	FRP		Timing to be directed by FRP in line with arbitration outcomes
Data transfer / data protection assessment completed	By 30 th September 2023	Development Services Manager		To ensure compliance at point of closure
Conclude all arbitration activities	By 30 th September 2023	MDC Managing Director		Timescale dependent upon arbitrator
Special Board Meeting to confirm closure	By 31 st December 2023	Development Services Manager		Timing to be directed by FRP in line with arbitration outcomes
Company formally closed through MVL	By 31 st December 2023	FRP – overseen by Director of Regeneration and Director of Finance		Estimate is 3 to 12 months, although FRP have indicated that 3 months is a reasonable timescale to expect from the start of the process.
Company audit requirements for 2023/24 concluded	By 31 st December 2023	Finance Business Partner - Regeneration		Company audit is undertaken as part of the liquidation process. All financial documentation to be retained by Regeneration as client for audit purposes.

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Final report to Executive	By 31 th January 2024	Director of Regeneration		
Deregistration at Companies House	Within 3 months of closure of the liquidation			
Final accounts reflected in the Council's 2023/24 Group Accounts	By 30 June 2024	Finance Business Partner - Regeneration		