

## **EX92. Falkirk Community Stadium Limited**

The Executive considered a report by the Chief Executive which provided an update in respect of Falkirk Community Stadium Ltd (FCSL), being a wholly owned subsidiary of the Council. The report sought approval to enable arrangements to wind up FCSL and transfer FCSL's assets to the Council.

The proposal was that the stadium would be directly managed by the Council. It was likely that the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) would apply to the transfer. This would require further consideration of both the current staffing arrangements and operational consequences of the Council taking direct responsibility for managing the stadium. This would be aligned to the work being undertaken to bring the services provided by FCT in-house.

There was no financial impediment to FCSL being wound up, as previously agreed by the Council, but with all the assets, principally the west stand and development sites, transferred directly to the Council.

The current management arrangements, where senior officers were appointed as directors to FCSL, had been in place since the first company was formed in 2003. In 2017/18 External Audit recommended that these governance arrangements would benefit from review which would allow an assessment of any issues around conflict of interest.

Since the retirement of the Director of Development Services in 2020 and the departure of the Trust's Chief Executive at the end of August, there was only one director on FCSL's board. It was proposed that the Chief Governance Officer was appointed to the FCSL Board to help manage this process.

Despite some property issues, overall the west stand was still in reasonably good condition and, placed in the context of the Council's recently approved Property Strategy and Implementation Plan arising from the Strategic Property Review, and the recent agreed investment with the fitout of suite 1b, this should be an asset that the Council appropriately maintains. The financial implications for the Council and the other tenants (primarily the Football Club) for dealing with the backlog maintenance and enhancing the building would be assessed and aligned to the Strategic Property Review which would be reported to a future meeting of the Executive.

### **Decision**

**The Executive authorised the Chief Executive or his nominees to finalise the legal and financial arrangements to wind up FCSL and transfer the stadium assets to the Council.**