

Trading and Enterprise Board

Minutes of a Meeting of the Trading and Enterprise Board held in the Council Chamber, Civic Centre, Tannery Lane, Ashford on the **8th May 2017**

Present:

Cllr. Bell (Chairman);

Cllrs. Bennett, Galpin

Apologies:

Cllr. Mrs Blanford, Accountancy Manager, Commercial Development and Regeneration Officer.

Also Present:

Cllr. Shorter (in his capacity as Director of A Better Choice for Building Consultancy Ltd)

Head of Finance and IT (in his capacity as Section 151 Officer), Economic Development Manager (in his capacity as Director of A Better Choice for Building Consultancy Ltd), Principal Solicitor for Property and Projects (in her capacity as Company Secretary for both Companies), Accountant, Senior Member Services Officer.

392 Minutes

Resolved:

That the Minutes of the meeting of the Board held on the 7th November 2016 be approved and confirmed as a correct record.

393 Exclusion of the Public

Resolved:

That pursuant to Section 100A(4) of the Local Government Act 1972 as amended the public be excluded from the meeting during consideration of the following items as it is likely in view of the nature of the business to be transacted or the nature of the proceedings that if members of the public were present there would be disclosure of exempt information hereinafter specified by reference to the appropriate paragraph of Schedule 12A of the Act, where in the circumstances the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

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394 Update on Trading Activity - A Better Choice for Property Ltd

The report updated the Board on the trading activity of A Better Choice for Property Ltd and its performance against its Business Plan.

The Accountant introduced the report in the absence of the Commercial Development and Regeneration Officer and drew attention to a number of points set out within. The Accountant and the Principal Solicitor for Property and Projects also answered a number of questions from the Board about the Company's performance.

It was confirmed that a new Business Plan for the Company was being prepared and would be submitted to the Board for consideration in July. This would reflect the desire for the Company's property portfolio to grow significantly and the types of purchase they would wish to make to enable this.

Resolved:

That the performance and trading activities of A Better Choice for Property Ltd be received and noted.

395 A Better Choice for Property Ltd – 2016/17 Draft Financial Accounts

The report provided the Board with a commentary on the 2016/17 draft Financial Statement for A Better Choice for Property Ltd, the strength of the financial covenants which were in place between the Council and the Company and details around the current financial benefits for the Council of investing in the Company.

The Accountant introduced the report and, along with the Head of Finance and IT, answered Members' questions.

The Principal Solicitor for Property and Projects advised that as part of the Council's original approval for the creation of the Company a sum of money had been put aside to purchase shares in the Company but not all of it was drawn-down. The Company would like to request the draw-down of that equity to assist with their growth plans. The Board advised that it would approve the share purchase taking place, once the Head of Finance and IT had received a formal request and details of how the funds were to be applied, on the grounds that the previous equity investment was delivering a good return for the Council and the future plans for the Council indicated that this investment would do the same.

Resolved:

- That**
- (i) the 2016/2017 Draft Financial Statements for A Better Choice for Property be noted.**
 - (ii) the Company's position against its financial covenants be noted.**
 - (iii) the Council's financial benefits for A Better Choice for Property Ltd be noted.**
 - (iv) the Board welcome the submission of a revised Business Plan from A Better Choice for Property Ltd.**
 - (v) the share purchase should proceed once the Company has formally requested it from the Head of Finance and IT and provided details of how it intends to apply the funds.**

Recommended:

That no action be taken by the Council in response to the breach of the debt to cash flow covenant and this would be the position for the next 18 months.

396 Update on Trading Activity - A Better Choice for Building Consultancy Ltd

The report updated the Board on the trading activity of A Better Choice for Building Consultancy Ltd over the last six months following approval of the Business Plan in May 2016 and the updates provided at the Board meeting in November 2016.

Councillor Shorter introduced the report and drew attention to a number of points set out within. He advised that it had been a difficult year for the Company, chiefly due to a number of key staff departures. The Council had now appointed a new Building Control Manager and Councillor Shorter requested that the Board give him some time to produce a report analysing the future of the Company and whether it should continue. The Accountant and Councillor Shorter also answered a number of questions from the Board about the Company's performance and its future.

The Board confirmed that they would be happy to leave the Company in place for six months in order to give the new Building Control Manager an opportunity to produce

a new Business Plan for the Company. A decision could then be taken on its future based on that new Business Plan. Councillor Shorter said he would like to place on record the Company's gratitude for the Board's decision.

Resolved:

- That (i) **the activities of A Better Choice for Building Consultancy Ltd be received and noted.**
- (ii) **the Board want to receive a revised Business Plan for A Better Choice for Building Consultancy Ltd in six months, at which time a decision would be taken on the Company's future.**

397 A Better Choice for Building Consultancy Ltd – 2016/17 Draft Financial Accounts

The report provided the Board with a commentary on the 2016/17 draft Financial Statement for A Better Choice for Building Consultancy Ltd.

The Chairman noted that the main issues had already been brought out in discussion on the previous Agenda item.

Resolved:

That the 2016/2017 Draft Financial Statements for A Better Choice for Building Consultancy Ltd be received and noted.

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Queries concerning these Minutes? Please contact Danny Sheppard:
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