

Trading and Enterprise Board

Minutes of a Meeting of the Trading and Enterprise Board held in Committee Room No. 2 (Bad Münstereifel Room), Civic Centre, Tannery Lane, Ashford on the **3rd July 2017**

Present:

Cllr. Bell (Chairman);

Cllrs. Bradford, Clokie, Galpin.

Apologies:

Cllr. Clarkson, Chief Executive, Head of Corporate Property and Projects, Accountancy Manager.

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), Senior Commercial Development Manager, Commercial Development and Regeneration Officer, Accountant, Senior Member Services Officer.

75 Minutes

Resolved:

That the Minutes of the meeting of the Board held on the 8th May 2017 be approved and confirmed as a correct record.

76 A Better Choice for Building Consultancy Ltd – Appointment of a Director

The report advised that this Board had delegated authority to appoint and remove the Directors of A Better Choice for Building Consultancy Limited on behalf of the Cabinet (subject to the approval of the Leader of the Council). Following the departure from the Council of the Head of Development Delivery, the Company now wished to appoint a new Director.

In response to a question from a Member, Councillor Shorter, in his capacity as a Director of the Company, advised that as agreed at the last meeting of the Board,

the future of the Company was dependent on a revised business plan being accepted later in the year. This appointment would assist in the development of that draft business plan. It was expected that this Board would receive that plan in November.

Resolved:

That David Harrison, Building Control Manager, Ashford Borough Council, be appointed as a Director of A Better Choice for Building Consultancy Limited.

77 A Better Choice for Property Ltd – Draw-Down of a Loan

The report advised that the Council had a £10m loan facility to A Better Choice for Property Limited. The Company had previously requested and had approval for the release of three tranches of this funding. The Company now requested the release of the final two tranches of the loan facility and the report sought the release of those tranches. The report also advised that the Company was currently negotiating the purchase of a development of 28 units with a value of approximately £5.7m. In order to complete on this, and future purchases, the Company required the Council to make available for draw-down the next two £2m tranches.

Recommended:

That the Cabinet be asked to recommend to Council that the next two £2m tranches of the £10m loan facility be made available to A Better Choice for Property Limited.

78 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 item 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 Paragraph 3 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.

79 A Better Choice for Property Ltd – Draft Business Plan 2017-2022

The report submitted a draft business plan that outlined the strategy of A Better Choice for Property Ltd to grow over the next five years. The Company requested an extension of its loan facility to continue a limited programme of purchasing existing properties. It would submit individual funding requests for the larger projects it was

considering and these would be assessed on a case by case basis by the Council. To deliver the growth strategy detailed in the Company's business plan, it planned to grow its capacity and resources for which it would seek additional funds from its shareholder.

The Accountant ran through the Company's cash flow forecast for the next two years and answered Members' questions.

In the course of discussions it was confirmed that any plans to work with institutional investors in the residential property market would be discussed with this Board at an early stage in proceedings.

Resolved:

That the employment of a member of staff by A Better Choice for Property Ltd (The Company) be approved, in accordance with the details set out in the report and in accordance with the Shareholder's Agreement dated 16th April 2014.

Recommended:

- That**
- (i) Cabinet approve the business plan attached to the report.**
 - (ii) Cabinet approve a further purchase of shares in the Company worth £300,000, such sum to be allocated from reserves and distributed equally across three financial years to enable the Company to employ a member of staff to deliver the business plan; the release of the later tranches will need approval by the Trading and Enterprise Board.**
 - (iii) Cabinet be asked to recommend to Council that the existing loan facility is extended by a further £2m to allow for the continuation of the Company's acquisition of properties, and that this extension is released and available for draw-down.**
 - (iv) Cabinet grant delegated authority to the Chairman of the Board (in his capacity as the Shareholder's Representative) to enter into the documents required to give effect to recommendation (ii) above.**
 - (v) Cabinet grant delegated authority to the Director of Law and Governance to complete all necessary documentation to give effect to recommendation (iii) above.**

(DS)

Queries concerning these Minutes? Please contact Danny Sheppard:
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