



TRADING AND ENTERPRISE BOARD

Notice of a Meeting, to be held in the Council Chamber - Ashford Borough Council on
Tuesday, 8th May, 2018 at 10.00 am.

The Members of the Trading and Enterprise Board are:-

Councillor Bell (Chairman)

Cllrs. Bradford, Clokie, Galpin and Ovenden (Observer)

Agenda

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1. **Apologies/Substitutes**

To receive Notification of Substitutes in accordance with Procedure
Rule 1.2 (iii)

2. **Declarations of Interest**

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To declare any interests which fall under the following categories, as
explained on the attached document:

- a) Disclosable Pecuniary Interests (DPI)
- b) Other Significant Interests (OSI)
- c) Voluntary Announcements of Other Interests

See Agenda Item 2 for further details

3. **Minutes**

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To approve the Minutes of the Meeting of the Board held on the 12th
March 2018

4. **Exclusion of the Public**

To consider passing the following resolution to exclude the press and
public from the meeting:

That pursuant to Section 100A(4) of the Local Government Act 1972,
as amended, the public be excluded from the meeting during
consideration of this item as it is likely that 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 paragraphs 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.

5. **Update on Trading Activity - A Better Choice for Property Ltd (Paragraph 3)**

6. **A Better Choice for Property Ltd - 2017/18 Draft Financial Accounts (Paragraph 3)**

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Declarations of Interest (see also “Advice to Members” below)

- (a) **Disclosable Pecuniary Interests (DPI)** under the Localism Act 2011, relating to items on this agenda. The nature as well as the existence of any such interest must be declared, and the agenda item(s) to which it relates must be stated.

A Member who declares a DPI in relation to any item will need to leave the meeting for that item (unless a relevant Dispensation has been granted).

- (b) **Other Significant Interests (OSI)** under the Kent Code of Conduct as adopted by the Council on 19 July 2012, relating to items on this agenda. The nature as well as the existence of any such interest must be declared, and the agenda item(s) to which it relates must be stated.

A Member who declares an OSI in relation to any item will need to leave the meeting before the debate and vote on that item (unless a relevant Dispensation has been granted). However, prior to leaving, the Member may address the Committee in the same way that a member of the public may do so.

- (c) **Voluntary Announcements of Other Interests** not required to be disclosed under (a) and (b), i.e. announcements made for transparency reasons alone, such as:

- Membership of outside bodies that have made representations on agenda items, or
- Where a Member knows a person involved, but does not have a close association with that person, or
- Where an item would affect the well-being of a Member, relative, close associate, employer, etc. but not his/her financial position.

[Note: an effect on the financial position of a Member, relative, close associate, employer, etc; OR an application made by a Member, relative, close associate, employer, etc, would both probably constitute either an OSI or in some cases a DPI].

Advice to Members on Declarations of Interest:

- (a) Government Guidance on DPI is available in DCLG’s Guide for Councillors, at https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/5962/2193362.pdf
- (b) The Kent Code of Conduct was adopted by the Full Council on 19 July 2012, and a copy can be found in the Constitution at <http://www.ashford.gov.uk/part-5---codes-and-protocols>
- (c) If any Councillor has any doubt about the existence or nature of any DPI or OSI which he/she may have in any item on this agenda, he/she should seek advice from the Corporate Director (Law and Governance) and Monitoring Officer or from other Solicitors in Legal and Democratic Services as early as possible, and in advance of the Meeting.

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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 **12th March 2018**.

Present:

Cllr. Bell (Chairman);

Cllrs. Bradford, Galpin;

Cllr. Ovenden (Observer).

Apology:

Cllr. Clokie.

Also Present:

Head of Corporate Property and Projects (in his capacity as Director of A Better Choice for Property Ltd), Interim Head of Finance (in her capacity as Director of A Better Choice for Property Ltd), Commercial Development Manager (A Better Choice for Property Ltd), Senior Accountant, Commercial Development and Regeneration Officer, Senior Member Services Officer.

373 Minutes

Resolved:

That the Minutes of the meeting of the Board held on the 4th December 2017 be approved and confirmed as a correct record.

374 Future Finance Facilities – A Better Choice for Property Ltd

The report of the Senior Accountant advised that, in-line with the Property Company's approved Business Plan, there was a need to significantly expand its residential portfolio over the next five years. The Company was therefore requesting an approved loan facility, available to draw down on to support the agreed expansion. The Company did not currently have sufficient draw down facilities to pursue any opportunities of acquiring properties in a competitive and commercial manner and were therefore requesting a loan facility from Ashford Borough Council up to a maximum of £30m. It was proposed that the process for agreeing any purchases would involve the drawing up of a detailed business plan. Purchases up to the value of £10m would be reported to the Director of Finance and Economy and the Portfolio Holder for Finance and IT for agreement, whereas those over £10m

would also follow that route, but would in addition need to be reported to this Board for agreement.

In response to questions from Members, the Senior Accountant advised that any rises in interest rates would be factored in to the business case for each proposal. The Council would charge the Company a market rate of interest, but at differing rates depending on the length of the loan.

There was a discussion about the Overview and Scrutiny Committee's wish to scrutinise the activity of the Company and it was advised that this was expected to happen later in the year. It was anticipated that there would need to be an explanation of the Company's Business Plan and Financial Strategy, particularly in terms of what would be done with any profits as they increased. The Head of Corporate Property and Projects confirmed that this was the intention and he would include that detail in his presentation to Overview and Scrutiny.

Recommended:

That the Council agree that a loan facility be made available to A Better Choice for Property Ltd, up to a maximum of £30m, subject to the conditions in the report.

375 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, namely North Street Development, 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.

376 North Street Development

Following approval of its Business Plan by the Cabinet on 13th July 2017, the Property Company presented an opportunity to make a purchase at the above location. The report contained full details of the proposal including the number of units to be acquired and the required capital investment including a request for a further loan facility from Ashford Borough Council to fully fund the scheme. The report also contained a full appraisal of the scheme over a 40 year period in terms of Net Present Value and Internal Rate of Return.

Board Members were extremely supportive of the proposals and thanked those individuals who had worked so hard to bring them forward for the Company. It was considered that intervention in to the buy-to-let market, particularly in the Town Centre, could only be beneficial.

On a more general note, the Chairman said he was pleased to see more proposals such as this coming forward and looked forward to receiving more in the near future.

Recommended:

- That (i) the Business Case and report for the proposed development as detailed in the report and at Annex 1 to the report, be approved.**
- (ii) a further loan facility of £2.5m to enable direct funding of this scheme be agreed.**

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

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