



## TRADING AND ENTERPRISE BOARD

Notice of a Meeting, to be held in the Council Chamber - Ashford Borough Council on  
Monday, 11th February, 2019 at 10.00 am.

---

The Members of the Trading and Enterprise Board are:-

Councillor Bell (Chairman)

Cllrs. Bradford, Clokie, Galpin

Cllr. Ovenden (Observer)

### Agenda

### Page Nos..

1. **Apologies/Substitutes**

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

2. **Declarations of Interest**

1 - 2

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**

3 - 6

To approve the Minutes of the Meeting of this Board held on the 8<sup>th</sup>  
October 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 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.

- |    |   |         |
|----|---|---------|
| 5. | <b>A Better Choice for Property Ltd - Governance Update</b>                   | 7 - 60  |
| 6. | <b>A Better Choice for Property Ltd - Recent Acquisitions - Update Report</b> | 61 - 74 |
| 7. | <b>A Better Choice for Property Ltd - Management Update</b>                   | 75 - 82 |

---

DS

Queries concerning this agenda? Please contact Member Services  
Telephone: (01233) 330349 Email: [membersservices@ashford.gov.uk](mailto:membersservices@ashford.gov.uk)  
Agendas, Reports and Minutes are available on: <http://ashford.moderngov.co.uk>

## 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](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.

This page is intentionally left blank

## 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 8<sup>th</sup> October 2018

### Present:

Cllr. Bell (Chairman);

Cllrs. Clokie, Galpin, Pickering.

In accordance with Procedure Rule 1.2 (iii) Councillor Pickering attended as Substitute Member for Councillor Bradford.

### Apologies:

Cllrs. Bradford, Ovenden.

### Also Present:

Director of Finance and Economy (in his capacity as Section 151 Officer), Head of Finance (in her capacity as Director of a Better Choice for Property Ltd), Head of Legal and Democracy, Senior Accountant (LF), Senior Accountant (MH), Commercial Development Manager (A Better Choice for Property Ltd), Member Services Manager (Operational).

## 182 Minutes

### Resolved:

**That the Minutes of the meeting of the Board held on the 6<sup>th</sup> August 2018 be approved and confirmed as a correct record.**

## 183 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 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.**

## **184 A Better Choice for Property Ltd**

The Head of Legal and Democracy introduced the report which advised that reports to this Board on the 9<sup>th</sup> July 2018 regarding A Better Choice for Property Ltd had resulted in a number of resolutions and subsequent recommendations to Cabinet/Full Council. Those items which had been recommendations were subsequently deferred at the Council Meeting on the 19<sup>th</sup> July. Whilst some of those issues had since been resolved at the meeting of this Board on the 6<sup>th</sup> August, there remained some of the original recommendations which needed to be re-presented to Cabinet and Council by this Board. These were outlined within the report and she drew particular attention to recommendations regarding amendments to the Shareholders Agreement, the establishment of a subsidiary company and the number of External Directors.

A Member said that whilst he fully supported the proposals in the report, he did want to note his concern about competition in the market place and the potential for the Companies to be competing with some of the development partners the Council was currently working with.

Another Member said he supported the proposal to appoint additional External Directors, but reiterated that this should be subject to CVs and information on the candidates (including business interests) being submitted to this Board for agreement.

### **Recommended:**

**That (i) the existing Loan Facilities Agreement be extended by a further £55.5m.**

**(ii) the existing governance arrangements be amended as follows: -**

**a). Acquisitions up to £10m (total scheme cost) supported by a business plan (including returns and risks) be approved by the Director of Finance and Economy and the Portfolio Holder for Finance and IT and the Portfolio Holder for one of Corporate Property or Housing.**

**b). Developments over £10m (total scheme cost) would be as 'a' above, but limited to the remaining amount of the existing facility agreement and need approval by the TEB.**

**All investments made under 'a', will be reported to TEB at the next available meeting after the investment has been made, updating Members on progress.**

**(iii) the issues related to the Shareholders Agreement, set out in Paragraphs 6a and 6b of the report, be recommended to the Council for approval.**

- (iv) **the establishment of a subsidiary company – A Better Choice for Property Development Limited as detailed in Paragraph 7 of the report be agreed.**
- (v) **that the Memorandum and Articles of the Company be amended to permit the appointment of up to six External Directors.**

## **185 A Better Choice for Property Ltd – Site Acquisition**

The Director of Finance and Economy introduced the confidential report which presented details of an opportunity for the Company to purchase land for residential development. The report contained a full proposal including a site analysis and initial design proposal/feasibility study. The Board was asked to consider the proposals and ensure it was satisfied with the estimates and the business model contained within the report. He advised that whilst more detailed work was clearly needed, at this stage the Company needed the comfort of Board support for the principle and to release funding to allow it to purchase the site and commence the process of development.

In response to points raised during discussion, the Commercial Development Manager advised that given the planning history of the site, the Company would certainly be seeking a 'sense check from the Council's Planning department at an early stage. This would be particularly important on design issues.

There was a discussion on how satisfactory due diligence should be carried out and signed off to permit drawdown. It was agreed that in terms of the first element of the project including the purchase of the land, as this part came under the £10m threshold, due diligence should be dealt with by the Director of Finance and Economy and the Portfolio Holder for Finance and IT. However when the project moved on to the planning and construction phase, given the size of the commitment, a further report including the outcome of the due diligence work on this stage should come back to this Board for approval. The recommendation was amended accordingly.

### **Recommended:**

**That subject to the completion of satisfactory due diligence (detailed in (ii a and b below) and the Council approving the extension of the loan facility by a further £55.5m (Minute No. 184 refers):**

- (i) **the outline Business Case for the proposed development as detailed at Appendix A to the report be approved.**
  - (ii) **the release of the funds from the existing loan facilities agreement up to limit set out in the exempt report (allowing a small contingency based upon the figures identified in Appendix A to the report).**
- (a) **the completion of due diligence and release of the drawdown of the funding for the first stage of the project, including the purchase of the**

**site, up to a value of £10m, be delegated to the Director of Finance and Economy and the Portfolio Holder for Finance and IT.**

**(b) the further release of funding be dependent on a further report to the Trading and Enterprise Board, including more details on the scheme, its planning application and the construction contract.**

---

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank