

Trading and Enterprise Board

Minutes of a Meeting of the Trading and Enterprise Board held in Committee Room No.1, Civic Centre, Tannery Lane, Ashford on the **8th July 2019**

Present:

Cllr. Bell (Chairman);

Cllrs. Gideon, Pickering, Shorter;

Cllr. Ovenden (Observer).

Apologies:

Cllr. Chilton

Also Present:

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

Prior to the commencement of the meeting, as this was the first Trading and Enterprise Board of the new Administration, the Chairman introduced everyone present. Officers took the opportunity to advise Members about the history of this Board and the Council's Trading Companies and Subsidiary Company. The importance of separation and being "arms-length" was re-enforced and it was explained that this Board's role was to oversee what the Companies were doing on behalf of the Council as their Shareholder, but not dictate to them how they were run – this was the responsibility of the Company Directors.

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A Member sought clarity over non-executive Directors potentially divulging confidential information, and asked if they had to sign any kind of non-disclosure agreement. The Company Secretary advised that they were currently undertaking an exercise to draw up job descriptions and contracts for the non-executive Directors and this point would be included in those.

Resolved:

That the Minutes of the meeting of the Board held on the 11th February 2019 be approved and confirmed as a correct record.

64 A Better Choice for Property Ltd - Staff Resources and Director Appointments

The report asked the Board to support the direct appointment by the Company of a Business Support Officer – a post that was currently being resourced by the Council and recharged to the Company. The appointment would be funded from operational cash flows from rental income. This was in-line with the Company's approved Business Plan proposing significant expansion of the Company. The Company also requested the Board to support the decision for the Company not to appoint employees as Directors on the Company Board, which would include reversing the Board's previous decision to approve the appointment of the Commercial Development Manager as a Director.

A Member asked that given the expansion of the Company, would a part time Administrator be sufficient or should they be looking to employ somebody full-time? One of the Company Directors clarified that at this time this was certainly considered sufficient, but as the Company expanded they may look at this further.

Board Members emphasised that they were keen to encourage the Company to come forward with nominations for new Directors to further strengthen the Company Board.

Recommended:

- That (i) **the Council approve the appointment and remuneration package of a Business Support Officer, directly employed by A Better Choice for Property Limited.**
- (ii) **the Council approve the proposal of A Better Choice for Property Limited not to appoint employees to the Company Board and to remove any previous approvals for the appointment of employees as Directors.**

65 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.

66 Extension of Loan Facility Agreement Between the Council and A Better Choice for Property Limited

The Director of Finance and Economy introduced the report from the Company Secretary which provided an update on the financial arrangements between the Council and A Better Choice for Property Ltd. and asked the Trading and Enterprise Board to make a number of recommendations to the Council. The report advised that the Loan Facilities Agreement entered in to in September 2014 terminated on its fifth anniversary and put forward proposals to: - extend the facilities agreement for another five years; refinance the existing Facility A loans under the new extended facility; and change the long term financing facility option to ensure state aid compliance and protect the Council's margin over borrowing costs.

In the course of the discussion it was agreed to add reference to the Portfolio Holder to recommendation (v).

Recommended:

- That**
- (i) the Council approve a five year extension of the current loan facility.**
 - (ii) the Council agree that Loan Facilities B and C should be replaced by a new Facility D to ensure compliance with State Aid.**
 - (iii) the Council agree that all Facility A loans should be refinanced to the Company from the extended facility agreement.**
 - (iv) dialogue between the Council and ABC Property Limited be supported to bring forward proposals for bridging short term cash flow pressures arising from block purchases of new build properties.**
 - (v) the Council agree that authority be given to the Head of Legal and Democracy, in consultation with the Director of Finance and Economy and the Portfolio Holder for Finance and IT, to agree, execute and complete all documents necessary to give effect to the above recommendations.**
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