



Commercial Services Cabinet Committee

Members of the **Commercial Services Cabinet Committee** of **Gravesham Borough Council** are summoned to attend a meeting to be held at the Council Chamber, Civic Suite on **Monday, 4 November 2019 at 7.30 pm** when the business specified in the following agenda is proposed to be transacted.

A handwritten signature in black ink, appearing to read 'S Walsh', written in a cursive style.

S Walsh
Service Manager (Communities)

Agenda

Part A

Items likely to be considered in Public

1. Apologies
2. Minutes (Pages 3 - 6)
3. Declarations of Interest
4. To consider whether any items in Part A of the agenda should be considered in private of those (if any) in Part B in public
5. Any other business which by reason of special circumstances the Chair is of the opinion should be considered as a matter of urgency.
6. Exclusion
To move, if required, that pursuant to Section 100A (4) of the Local Government Act 1972 that the public be excluded from any items included in Part B of the agenda because it is likely in view of the nature of business to be transacted that if members of the public are present during those items, there would be disclosure to them

Part B
Items likely to be considered in Private

7. Formation of a Local Authority Trading Company (LATCo) – UPDATE (Pages 7 - 50)

To provide Members of the Commercial Services Cabinet Committee with an update on the progress that is being made in forming a Local Authority Trading Company for Gravesham Borough Council, and to present a draft business case template for Members comment and consideration

8. Commercial Property Portfolio Dashboard (Pages 51 - 52)

9. Any other business which by reason of special circumstances the Chair is of the opinion should be considered as a matter of urgency.

Members

Cllr Lenny Rolles (Chair)
Cllr Sarah Gow (Vice-Chair)

Councillors: Conrad Broadley
John Caller
Leslie Pearton
Anthony Pritchard
Tony Rana
Tony Rice
Gurbax Singh
Denise Tiran

Substitutes: To be notified

Commercial Services Cabinet Committee**Thursday, 12 September 2019****7.30 pm****Present:**

Cllr Lenny Rolles (Chair)
Cllr Sarah Gow (Vice-Chair)

Councillors: Leslie Pearton
 Tony Rana
 Tony Rice
 Peter Scollard
 Gurbax Singh
 Denise Tiran
 Frank Wardle

Note: Cllr John Burden (Leader of the Council) was also in attendance.

Sarah Parfitt	Assistant Director (Corporate Services)
Michelle Batstone	Corporate Change Manager
Chris Wakeford	Committee Services Officer (Scrutiny)

6. Apologies

An apology for absence was received from Cllr Conrad Broadley and Cllr John Caller; Cllr Frank Wardle and Cllr Peter Scollard appeared as their respective substitutes.

7. Minutes

The minutes of the meeting held on 8 July 2019 were signed by the Chair.

8. Declarations of Interest

No declarations of interest were made.

9. Formation of a Local Authority Trading Company

The Corporate Change Manager provided Members of the Commercial Services Cabinet Committee with an update on the progress made in establishing a Local Authority Trading Company for Gravesham Borough Council:-

- An internal Corporate Working Group has been established with officers from key disciplines; Finance, IT, Legal Services and Internal Audit. This group has met three times and meetings have been scheduled on a fortnightly basis to ensure the project continues to progress. A detailed project plan for the formation of the LATCo itself has also been developed and, whilst this will be a working document, the latest version is attached at appendix two to the report.

- In terms of readiness, Vehicle Workshop Services will be the first service to be delivered by the LATCo. It should be noted however, that the roll-out of Vehicle Workshop services through the LATCo would be staggered i.e. only one aspect of the service would initially be offered from the LATCo from 1 April 2020, with additional services becoming available as the company progressed.
- Specifically, progress in relation to the Vehicle Workshop aspect to date has been as follows:
 - Business Case Development
 - A template for the business case has been drawn up and shared with the internal officer Working Group. Work has commenced in terms of drafting the background information to support the business case, whilst further detailed analysis takes place.
 - Operational Services Impact
 - The Waste & Transport Manager has commenced planning from an operational point of view in terms of the services that are to be delivered from the vehicle workshop, and this will form a secondary section of the project plan. He will also be attending future meetings of the Corporate Working Group.
 - Governance
 - Training for Board Members, both officers and Members, is in the process of being sourced. The LGA have been approached but it is considered that a better training offer can be provided by the council's external legal advisors and this option is being pursued further.
 - External Audit – a meeting is in the process of being scheduled with Grant Thornton in order to discuss the council's approach to establishing the LATCo in order to ensure that audit considerations/implications are clear from an early stage.
 - Job descriptions for the Board Members and Company Secretary roles are in the process of being drafted with the council's Legal Team to ensure that all aspects of the Board responsibilities are clearly defined. The job descriptions will be refined further ahead of the submission of the business case to the Committee in November 2019.
 - A suggested structure for the Board of Directors for the LATCo has been discussed, which has drawn out a very early, indicative proposal for the Board structure, as detailed in the report

There is still a significant amount of work to be undertaken in order to prepare the business case for consideration by Members and work is progressing at pace.

- Next Steps
 - At the next meeting of the Commercial Services Cabinet Committee on 04 November 2019, the draft business case proposal will be presented to the Committee for their review. Following this, the business case will be presented to Cabinet on 11 November, requesting their approval to submit this to Full Council on 3 December for formal consideration. In addition, an update report will be also be provided to the Operational Services Committee on 18 November 2019, as the Committee responsible for overseeing the vehicle workshop function.

Following a question from a Member of the Committee, the Corporate Change Manager clarified the differences between the business case and business plan. The business case will be considered by Full Council and, at this stage, it is anticipated that the Cabinet will make the decision on the business plan for the vehicle workshop aspect.

The Committee discussed the proposed structure for the Board of Directors for the Local Authority Trading Company, as detailed on page nine of the report. A Member of the Committee voiced their view that there is a need to ensure that Board Members need to have the necessary commercial skills to ensure the success of the company.

The Committee noted the progress that is being made in establishing a Local Authority Trading Company for Gravesham Borough Council.

Note: Cllr John Burden (Leader of the Council) spoke with the leave of the Chair on this item.

Close of meeting

The meeting ended at 7.56 pm

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of the Local Government Act 1972.

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