

Commercial Services Cabinet Committee

Wednesday, 26 February 2020

7.30 pm

Present:

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

Councillors: John Caller
 Jordan Meade
 Leslie Pearton
 Anthony Pritchard
 Tony Rana
 Tony Rice
 Gurbax Singh
 Denise Tiran

Sarah Parfitt Assistant Director (Corporate Services)
Elizabeth Thornton Service Manager (Property and Regulatory Services)
Chris Wakeford Committee Services Officer (Minutes)

16. Apologies

None.

17. Minutes

The minutes of the meeting held on 4 November 2019 were signed by the Chair.

18. Declarations of Interest

Cllrs Sarah Gow, Tony Rice and Lenny Rolles together with the Assistant Director (Corporate Services) declared an Other Significant Interest in agenda item 5. Corporate Performance update – Quarter Three 2019-20 in that they have been appointed as Directors of Rosherville Limited, the Council's Local Authority Trading Company. Cllr Rolles also declared that he was the Chairman of the Rosherville Limited Board.

19. Corporate Performance Update - Quarter Three 2019-20

The Assistant Director (Corporate Services) presented the Members of Commercial Services Committee with an update against the Performance Management Framework, as introduced within the council's Corporate Plan, for Quarter Three 2019-20 (October to December 2019).

The Assistant Director (Corporate Services) highlighted the following:

At Full Council in December 2019, the formation of a Local Authority trading Company (LATCo) was approved. Since then, the company – Rosherville Limited – has been formally incorporated with Companies House.

On 3 February 2020 Cabinet approved the following:

- The Board membership for Rosherville Limited and the Articles of Association for the Company.
- The Shareholder Group to act as an advisory group to the Leader in aiding the decision making process. This included the membership of the Shareholder Group along with the Shareholder Agreement and terms of reference for the Shareholder Group.
- The formation of two subsidiary companies, subject to a complete business case being presented. These relate to the vehicle workshop service and a property development company to aid the Heritage Quarter development project.

On 25 February 2020 Full Council approved £550,000 of funding sources to set up the companies.

In addition, through procurement of new contracts in 2019/20, the Council secured funding in the region of £42,000 to help support the council deliver specific community events. For example, Swale Heating has committed to funding the council fireworks event for the next 10 years. It is anticipated increased activity in this area will enable greater 'social value' returns to support council initiatives.

The Assistant Director (Corporate Services) fielded questions from the Committee and highlighted the following:

- The Public Services (Social Value) Act 2012 requires the Council “to have regard to economic, social and environmental well-being in connection with public services contracts; and for connected purposes”.
This means that the Council must consider where added value and benefit, in relation to economic, social and environmental aspects, can be delivered to the Borough above those already delivered as part of the requirements of the specification. Examples include; a company providing funding for an event (e.g. fireworks) and training opportunities / apprenticeships being offered to local residents.
- A Local Authority Trading Company allows the Council to do anything a commercial entity can do.

The Chair highlighted that the vehicle workshop service and the property development company were the first steps for the Council and further ideas would be considered by the Board in the future.

Resolved that the Corporate Performance Update: Quarter Three 2019-20 be noted.

20. Exclusion

Resolved pursuant to Section 100A(4) of the Local Government Act 1972 that the public be excluded during the following items of business because it was likely in view of the nature of the business to be transacted that, if member of the public were present during this item, there would be disclosure to them of exempt information.

21. Property Dashboard

The Assistant Director (Corporate Services) and Service Manager (Property & Regulatory Services) presented the Committee with the Commercial Property Portfolio Dashboard as at 12 February 2020. The Dashboard had been developed by the Council's Finance and Property Services teams and covered a portfolio worth approximately £42m. The information had been analysed sector by sector and events that might affect the portfolio had also been highlighted.

The Assistant Director (Corporate Services) agreed to introduce the Net Gains in terms of rent for the next Commercial Property Portfolio Dashboard.

The Committee discussed the Commercial Property Portfolio Dashboard in detail and commended the format of the document and the prudent work that had been completed.

Resolved that the Information Dashboard – Gravesham Borough Council's Commercial Property Portfolio be noted.

Close of Meeting

The meeting ended at 8.22 pm.