

**BOROUGH OF REIGATE AND BANSTEAD**  
**COMMERCIAL VENTURES EXECUTIVE SUB-COMMITTEE**

Minutes of a meeting of the Commercial Ventures Executive Sub-Committee held at the New Council Chamber - Town Hall, Reigate on 5 September 2019 at 6.30 pm.

Present: Councillors T. Archer (Chairman), T. Schofield (Vice-Chair) and M. A. Brunt (Leader).

Also present: Councillors M. S. Blacker, N. D. Harrison and K. Sachdeva.

**18. MINUTES OF THE PREVIOUS MEETING**

**RESOLVED** that the minutes of the Commercial Ventures Executive Sub-Committee meeting held on 17 July 2019 be approved as a correct record and signed.

**19. APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor V. H. Lewanski.

**20. DECLARATIONS OF INTEREST**

There were no declarations of interest.

**21. SHAREHOLDER ACTIONS**

It was noted that there was exempt information to consider in relation to Pathway for Care as set out below.

**21.1 Shareholder Actions, Pathway For Care Limited**

Councillor T Archer, Executive Member for Investment and Companies (Chairman) introduced the report which explained the history of Pathway for Care and its relationship with the Council and the intention to transfer ownership of the shares currently owned by Fairhome Care plc.

The Sub-Committee discussed the potential sale of Fairhome Care plc's shares in Pathway for Care and enquired if the Council's £1.1m preference shareholding in the Company would also be transferred and honoured. The Sub-Committee also requested assurances that, following the share sale, Pathway for Care or the Council would not be liable for any debt owed to Fairhome Care plc; and whether Pathway for Care would have the right to transfer the existing leases and tenancies from the existing Housing Associations to a new Community Benefit Society or Housing Association.

Mr J Jory, Chief Executive Officer, confirmed that the Share Transfer Agreement should contain the required assurances and this document would be reviewed before the share sale could proceed.

The report noted that the transfer of shares was expected to take place on 31 August 2019, however it was confirmed that the transfer of shares had not yet taken place as shareholder written consent was required.

**RESOLVED** that:

- 1) John Jory, Director of Pathway for Care Limited, be authorised to approve the sale of Pathway for Care Limited's 70 A Ordinary shares from Fairhome Care plc as set out in the exempt Part 2 section of the agenda.
- 2) The Head of Legal and Governance be authorised to investigate the possibility of creating a Community Benefit Society, as set out in the exempt Part 2 section of the agenda, and to assess whether this would be worthwhile for the Council.

**Reason for decisions**

- (i) The CVESC were asked to authorise John Jory, Director of Pathway for Care Limited, who would be representing RBBC as shareholder, to approve the sale of the shareholdings in Pathway for Care Limited as set out in the exempt Part 2 section of the agenda, to allow Pathway for Care Limited to continue to provide supported living services.
- (ii) The CVESC were also asked to authorise the investigation of creating a Community Benefit Society as set out in the exempt Part 2 section of the agenda, as a Community Benefit Society had the potential to support the Council's investments.

**Alternative Options:** To authorise Mr J Jory to approve the sale of Pathway for Care Limited's shares from Fairhome Care plc and to take no steps to investigate the CBS/Housing Association option; or to do nothing.

**22. INVESTMENT OPPORTUNITIES**

There was no business to be considered under this agenda item.

**23. PROPERTY ACQUISITIONS**

There was no business to be considered under this agenda item.

**24. LOANS, GRANTS AND DRAW DOWN AGREEMENTS**

There was no business to be considered under this agenda item.

**25. EXEMPT BUSINESS**

**RESOLVED** that members of the Press and public be excluded from the meeting for the following item of business under Section 100A(4) of the Local Government Act 1972 on the grounds that: (i) it involved the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Act; and (ii)

the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

**26. SHAREHOLDER ACTIONS (EXEMPT)**

It was noted that there was exempt information to consider in relation to Pathway for Care Limited as set out below.

**26.1 Shareholder Actions, Pathway For Care Limited (Exempt)**

**RESOLVED** that the exempt information in relation to the Shareholder Actions, Pathway for Care Limited report be noted.

**27. INVESTMENT OPPORTUNITIES (EXEMPT)**

There was no exempt business to be considered under this agenda item.

**28. PROPERTY ACQUISITIONS (EXEMPT)**

There was no exempt business to be considered under this agenda item.

**29. LOANS, GRANTS AND DRAW DOWN AGREEMENTS (EXEMPT)**

There was no exempt business to be considered under this agenda item.

**30. ANY OTHER URGENT BUSINESS**

There was no urgent business.

The Meeting closed at 7.11 pm