



Statement of decisions made at a meeting of the **Commercial Ventures Executive Sub-Committee**

Meeting date: **27 February 2020**

Date of Publication: 2 March 2020

Final date for Call-in under Overview & Scrutiny Procedure Rule 15:

Contact Officer: Democratic Services (01737 276182)

Democratic@reigate-banstead.gov.uk

No conflict(s) of interest relating to any matter decided was declared by any member of the decision making body which made the decision, unless stated otherwise.

ITEM

1. MINUTES OF THE PREVIOUS MEETING

RESOLVED to approve the minutes of the meeting held on 30 January 2020 as a correct record.

4. RBBC LIMITED DISSOLUTION

RESOLVED:

- i) the Chief Finance Officer was authorised to not recover the £29,434.98 expenses that have been incurred on behalf of RBBC Limited and treat them as a charge to the Council's revenue budget in 2019/20 and the Chief Finance Officer was authorised to confirm in writing to the Director of RBBC Limited that the Council will not seek to recover any liabilities;
- ii) the Director of RBBC Limited was authorised to arrange for RBBC Limited to be dissolved; and
- iii) in its capacity as the Council's shareholder representative for RBBC Limited, noted the dissolution of RBBC Limited.

Reason for decision:

RBBC Limited was incorporated for the purpose of temporarily acquiring a digital monitoring business whilst securing an investor for this business. It was never the Council's intention to diversify and operate this type of business, rather it was a vehicle to secure a buyer for this element of the Council's previous investment in Pathway for Care.

An investor was not secured and in November 2018 Executive received a report that included an update on plans to close the company. The actions necessary to implement Executive's decision were now complete and it was recommended to the Commercial Ventures Executive Sub-Committee that RBBC Limited be dissolved and its remaining liabilities written off and avoid an insolvent liquidation.

Writing off the liabilities and dissolving RBBC Limited was considered to be the most appropriate course of action to ensure the liabilities did not increase and the Council did not continue to maintain a company that could not meet its financial obligations and the costs had to be acknowledged in the Council's financial report.

Alternative options:

- i) To not authorise the Chief Finance Officer to seek approval to not recover the £29,434.98 due to the Council from RBBC Limited and instead, liquidate RBBC Limited as insolvent.
- ii) Do nothing.

Lead officer:

Head of Legal and Governance