

Reigate and Banstead Borough Council

Statement of Decisions made at a meeting of the Commercial Ventures Executive Sub-Committee on Thursday, 30 September 2021

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The following decisions were made by the Commercial Ventures Executive Sub-Committee at its meeting on **Thursday, 30 September 2021**. These decisions will come into force on **DATE COME INTO FORCE AFTER CALL IN PERIOD EXPIRES**. A decision by the Executive may be called-in (in accordance with Procedure Rule 5.14 of the Council's Constitution) by **15 October 2021**. Should you have any queries about any decision that has been made, contact should be made in the first instance to Democratic Services at democratic@reigate-banstead.gov.uk. Any declaration of interest made by any member of the Executive is shown below.

	Item	Reason for Decision:	Alternative options:	Lead officer:
4	<p>Shareholder Actions - Accounts and Auditor appointment</p> <p>RESOLVED, as shareholder representative for Greensand Holdings Limited (the Company), a company 100% owned by RBBC:</p> <p>i. To receive the Company's Directors' Report and Audited Financial Statements for the year ended 31 December 2020 set out in the exempt report of the agenda;</p>	<p>For decisions (i) to (iv), as shareholder representative for Greensand Holdings Limited (the Company), a company 100% owned by RBBC:</p> <p>i. The Commercial Ventures Executive Sub-Committee, as shareholder representative for Greensand Holdings Limited (the Company), was asked to acknowledge receipt of the Directors' Report and Audited Financial Statements for the year ended 31 December 2020 to comply with the Shareholder Agreement</p>	<p>For decisions (i) to (iv), as shareholder representative for Greensand Holdings Limited (the Company), a company 100% owned by RBBC:</p> <p>Option 1: Approve all the required actions set out in Recommendations above in order Greensand Holdings Limited can meet the requirements of the Companies Act 2006 in respect of their Directors' Report and Audited Financial</p>	<p>Head of Legal and Governance</p>

	Item	Reason for Decision:	Alternative options:	Lead officer:
	<p>ii. To approve the re-appointment of Kreston Reeves LLP as auditor for Greensand Holdings Limited for the year to 31 December 2021;</p> <p>iii. For the auditor appointed to Greensand Holdings Limited in (ii) above, to authorise the Directors of the Company to fix the auditors' remuneration for the year to 31 December 2021 as set out in the exempt report of the agenda;</p> <p>iv. To authorise the Portfolio Holder for Investment and Companies to sign on behalf of the shareholder, RBBC, the shareholder ordinary resolution confirming (i.) to (iii.) above as set out in the exempt report of the agenda.</p> <p>RESOLVED, as partner representative for Horley Business Park Development LLP (the Company), a company part-owned by Reigate and Banstead Borough Council (RBBC):</p> <p>v. To receive the Horley Business Park Development LLP's Annual Report and Financial Statements</p>	<p>between the Company and RBBC and keep the shareholder informed. The Directors of the Company approved the Directors' Report and Audited Financial Statements for the year ended 31 December 2020 on 16 September 2021;</p> <p>ii. The shareholder representative was asked to approve the re-appointment of Kreston Reeves LLP as auditor for Greensand Holdings Limited for the year to 31 December 2021 to comply with Section 485 of the Companies Act 2006. The Company's Directors confirmed they were happy to re-appoint Kreston Reeves LLP as auditor for the Company for the year to 31 December 2021 on 16 September 2021 as they were satisfied with their performance over the past financial period;</p> <p>iii. The shareholder representative, for the auditor appointed to Greensand Holdings Limited in (ii) above, was requested to approve the Directors of the Company to fix the auditors' remuneration for the year to 31 December 2021 to comply with Section 492 of the Companies Act</p>	<p>Statements for the year ended 31 December 2020; appointment of auditors; and auditors' remuneration. This is the recommended option to ensure Greensand Holdings Limited is governed correctly and meets the statutory requirements.</p> <p>Option 2: If after reviewing the required actions and supporting documentation, adjustments are required, the CVESC should request the necessary adjustments be made and approve the actions subject to those adjustments, in order Greensand Holdings Limited is governed correctly and meet its statutory requirements.</p> <p>Option 3: Do not approve the required actions. This is not the recommended option as not filing accounts is a criminal offence and the Directors of Greensand Holdings Limited will not be able to carry out their statutory duties and will be in breach of the Companies Act 2006 and the Shareholder Agreement. The Directors</p>	

	Item	Reason for Decision:	Alternative options:	Lead officer:
	<p>for the year ended 31 December 2020, set out in the exempt report of the agenda;</p> <p>vi. To direct the RBBC Board Representatives of the Company to approve the Annual Report and Financial Statements for the year to 31 December 2020;</p> <p>vii. To authorise the RBBC Board Representatives of the Company to approve the reappointment of Moore Kingston Smith LLP as auditor for Horley Business Park Development LLP (the Company) for the year to 31 December 2021; and</p> <p>viii. For the auditor appointed to Horley Business Park Development LLP in (vii) above, authorise the RBBC Board Representatives of the Company to fix the auditors' remuneration for the year to 31 December 2021, as set out in the exempt report of the agenda.</p>	<p>2006.</p> <p>For decisions (v) to (viii), as partner representative for Horley Business Park Development LLP (the Company), a company part-owned by Reigate and Banstead Borough Council (RBBC):</p> <p>i. The Commercial Ventures Executive Sub-Committee as the partner representative was asked to acknowledge receipt of the Horley Business Park Development LLP's Annual Report and Financial Statements for the year ended 31 December 2020 as required by the Members Agreement dated 24 March 2016.</p> <p>ii. In accordance with the Company's Members Agreement, all Board Representatives should approve the Company's Annual Report and Financial Statements and, as the partner representative, the Commercial Ventures Executive Sub-Committee should direct the RBBC Board Representatives of the Company to approve the Annual Report and Financial Statements for the year to 31 December 2020; The Annual Report and Financial</p>	<p>can be personally fined in the criminal courts and the company struck off the Register of Companies if accounts are not lodged with Companies House.</p> <p>For decisions (v) to (viii), as partner representative for Horley Business Park Development LLP (the Company), a company part-owned by Reigate and Banstead Borough Council (RBBC):</p> <p>Option 1: Approve all the required actions set out in Recommendations above in order the Company meets the requirements of the Companies Act 2006 in respect of their annual report and accounts; appointment of auditors; and auditors' remuneration; and meet the requirements of the Company's constitution. This is the recommended option to ensure the Council's commercial entities are governed correctly and meet their statutory requirements.</p> <p>Option 2: If after reviewing the required actions and supporting documentation, adjustments are required, the</p>	

	Item	Reason for Decision:	Alternative options:	Lead officer:
		<p>Statements for the year to 31 December 2020 can be lodged with Companies House once approved by all the Board Representatives.</p> <p>iii. The partner representative was asked to authorise the RBBC Board Representatives of the Company to approve the re-appointment of Moore Kingston Smith LLP as auditor for Horley Business Park Development LLP for the year to 31 December 2021 as Section 485 of the Companies Act 2006 as applied by Regulation 36 of the Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 requires the Members to appoint or re-appoint an auditor.</p> <p>iv. For the auditor appointed to Horley Business Park Development LLP in (iii.) above, the partner representative was asked to authorise the RBBC Board Representatives to fix the auditors' remuneration for the year to 31 December 2021 as Section 492 of the Companies Act 2006 as applied by Regulation 37 of the Liability Partnerships (Accounts and Audit)</p>	<p>CVESC should request the necessary adjustments be made and approve the actions subject to those adjustments, in order the Council's commercial entities are governed correctly and meet their statutory requirements.</p> <p>Option 3: Do not approve the required actions. This is not the recommended option as the Members of the Council's part-owned commercial entity will not be able to carry out its' statutory duties and will be in breach of the Companies Act 2006 and the Company's constitution. The Members can be fined and the company struck off the Register of Companies if accounts are not lodged with Companies House.</p>	

	Item	Reason for Decision:	Alternative options:	Lead officer:
		(Application of Companies Act 2006) Regulations 2008 requires the remuneration of an auditor appointed by the LLP to be fixed by the Members of the Company.		
5	<p>Shareholder Actions - RBBC Housing - Independent Living re AGM</p> <p>RESOLVED, as shareholder representative for Reigate and Banstead Borough Council, in respect of RBBC Housing – Independent Living:</p> <ol style="list-style-type: none"> i. To note that an annual general meeting (AGM) for RBBC Housing – Independent Living was required to be held within six calendar months after the close of its financial year and consent to short notice of that AGM and authorise the Portfolio Holder for Investment and Companies to sign on behalf of Reigate & Banstead Borough Council, the Consent to Short Notice letter (Annex A); ii. To vote in favour of the following resolutions being proposed at RBBC Housing – Independent Living’s AGM, as set out in Notice of AGM 	<p>The Commercial Ventures Executive Sub-Committee were asked, as shareholder representative for Reigate and Banstead Borough Council, in respect of RBBC Housing – Independent Living, to:</p> <ol style="list-style-type: none"> 1. Note that an annual general meeting (AGM) for RBBC Housing – Independent Living (Community Benefit Society) was required to be held within six calendar months after the close of its financial years and consent to short notice of that AGM is therefore required. The Portfolio Holder for Investment and Companies was to be authorised to sign the consent to short notice on behalf of Reigate & Banstead Borough Council to allow compliance with the statutory requirements as set out in the Community Benefit Society (CBS)’s Rules. 2. Authorise the Corporate Representative to vote in favour of 	<p>Option 1: Approve all the Recommendations above in order RBBC Housing – Independent Living can meet the requirements of the Co-operative and Community Benefit Societies Act 2014 and the CBS’s Rules. This is the recommended option to ensure that RBBC Housing – Independent Living is governed correctly and meets the statutory requirements and is no longer utilising Council resources.</p> <p>Option 2: If after reviewing the required actions and supporting documentation, adjustments are required, the CVESC should request the necessary adjustments be made and approve the actions subject to those adjustments, in order that RBBC Housing – Independent Living is governed correctly and meet its statutory requirements and is no longer utilising Council resources.</p> <p>Option 3: Do not approve the required actions. This is not the recommended option as not filing</p>	Head of Legal and Governance

	Item	Reason for Decision:	Alternative options:	Lead officer:
	<p>(Annex B):</p> <ul style="list-style-type: none"> a. In light of RBBC Housing – Independent Living’s zero turnover and assets, to exercise the power under section 84 of the Co-operative and Community Benefit Societies Act 2014 (the Act) to disapply section 83 of the Act and remove the duty to appoint an auditor for the financial year ended 31 March 2021. b. To receive and adopt RBBC Housing – Independent Living’s unaudited Financial Statements for the period ended 31 March 2021 (Annex C). c. To receive and adopt the Directors’ report on the affairs of RBBC Housing – Independent Living (Annex D). d. The dissolution of RBBC Housing – Independent Living be approved. 	<p>the following resolutions being proposed at RBBC Housing – Independent Living’s AGM:</p> <ul style="list-style-type: none"> i. In light of RBBC Housing – Independent Living’s zero turnover and assets, to exercise the power under section 84 of the Co-operative and Community Benefit Societies Act 2014 to disapply section 83 of the Act and remove the duty to appoint an auditor for the financial year ended 31 March 2021 as the CBS has been inactive with only £4 share capital; ii. To receive and adopt the Association’s unaudited Financial Statements for the period ended 31 March 2021 to comply with the statutory requirements as set out in the CBS’s Rules; iii. To receive and adopt the Directors’ report on the affairs of the Association to comply with the statutory requirements as set out in the 	<p>accounts and the annual return can mean that the Financial Conduct Authority can prosecute the CBS, and the Directors of RBBC Housing – Independent Living will not be able to carry out their statutory duties and will be in breach of the Co-operative and Community Benefit Societies Act 2014.</p>	

	Item	Reason for Decision:	Alternative options:	Lead officer:
	<p>e. THAT, pursuant to and in accordance with Article G12 of the RBBC Housing – Independent Living’s rules and Section 119 of the Cooperative and Community Benefit Societies Act 2014 (“the Act”) the instrument of dissolution in the format prescribed by the FCA and containing all information required by section 119(2) of the Act to be further endorsed by at least three fourths of the Members to testify their consent to the dissolution of the Association (ANNEX E set out in the Exempt part of the report) be approved; and</p> <p>iii. The Portfolio Holder for Investment and Companies as the Corporate Representative for Reigate and Banstead Borough Council to attend and vote on the above resolutions at the RBBC Housing – Independent Living AGM be approved.</p>	<p>CBS’s Rules;</p> <p>iv. To consider the dissolution of RBBC Housing – Independent Living as the reason it was established was not pursued and it has therefore been inactive. Any further ambition to utilise RBBC Housing – Independent Living has not been identified and the statutory and regulatory requirements require a multitude of Council resources which, if dissolved, would be avoided.</p> <p>v. To approve the instrument of dissolution in order this can be sent to the FCA to effect the dissolution.</p>		