



Agenda

Commercial Ventures Executive Sub- Committee

Thursday, 30 September 2021 at 7.00 pm

**New Council Chamber, Town Hall, Castlefield Road,
Reigate and online.**



Meetings will take place in accordance with Government guidance. Members will assemble at the Town Hall, Reigate and remotely via video link.



Members of the public may observe the proceedings live on the Council's [website](#).

If you are unable to observe the meeting online and need to attend in person, please contact democratic@reigate-banstead.gov.uk.

Members:

T. Archer (Chairman) and M. A. Brunt (Leader)

T. Schofield

V. H. Lewanski

Mari Roberts-Wood
Interim Head of Paid Service

For enquiries regarding this agenda;

Contact: 01737 276182

Email: democratic@reigate-banstead.gov.uk

Published 22 September 2021

1. Minutes of the previous meeting (Pages 5 - 6)

To approve the minutes of the previous meeting as a correct record.

2. Apologies for absence

To receive any apologies for absence.

3. Declarations of interest

To receive any declarations of interest.

4. Shareholder Actions - Accounts and Auditor appointment (Pages 7 - 18)

Shareholder Actions for (a) Greensand Holdings Limited; and, (b) Horley Business Park Development LLP.

5. Shareholder Actions - RBBC Housing - Independent Living re AGM (Pages 19 - 50)

The Council's Community Benefit Societies' Annual General Meeting.

6. Exempt business

RECOMMENDED 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 involves 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 outweighs the public interest in disclosing the information.

7. Shareholder Actions - Accounts and Auditor appointment (Exempt) (Pages 51 - 104)

To consider any exempt business in relation to the accounts and auditor appointment of the Horley Business Park Development LLP and Greensand Holdings Limited.

8. Any other business

To consider any other urgent business.



Our meetings

As we would all appreciate, our meetings will be conducted in a spirit of mutual respect and trust, working together for the benefit of our Community and the Council, and in accordance with our Member Code of Conduct. Courtesy will be shown to all those taking part.



Streaming of meetings

Meetings are broadcast live on the internet and are available to view online for six months. A recording is retained for six years after the meeting. In attending any meeting, you are recognising that you may be filmed and consent to the live stream being broadcast online, and available for others to view.



Accessibility

The Council's agenda and minutes are provided in English. However, the Council also embraces its duty to anticipate the need to provide documents in different formats, such as audio, large print or in other languages. The Council will provide such formats where a need is identified prior to publication or on request.



Notice is given of the intention to hold any part of this meeting in private for consideration of any reports containing "exempt" information, which will be marked accordingly.

This page is intentionally left blank

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 3 June 2021 at 6.30 pm.

Present: Councillors T. Archer (Chair following item 1), T. Schofield (Vice-Chair following item 2), M. A. Brunt (Leader) and V. H. Lewanski.

Also present: Councillors C. M. Neame

1. ELECTION OF CHAIR

RESOLVED that Councillor T. Archer be appointed Chair of the Commercial Ventures Executive Sub-Committee for the Municipal Year 2021/22.

Following this item, Councillor T. Archer took the Chair for the meeting.

2. ELECTION OF VICE-CHAIR

RESOLVED that Councillor T. Schofield be appointed Vice-Chair of the Commercial Ventures Executive Sub-Committee for the Municipal Year 2021/22.

3. APOLOGIES FOR ABSENCE

There were no apologies for absence.

4. DECLARATIONS OF INTEREST

There were no declarations of interest.

5. MINUTES OF THE PREVIOUS MEETING

RESOLVED to approve the minutes of the previous meeting as a correct record.

6. SHAREHOLDER ACTIONS - COMPANIES PERFORMANCE UPDATE - SPRING 2021

The Sub-Committee considered information on the performance of companies owned or part-owned by the Council, as of Spring 2021, and as considered by the Overview & Scrutiny Committee on 18 March 2021.

No further questions or concerns were raised, and there were no additional observations from the Overview & Scrutiny Committee.

RESOLVED that the Companies Performance Update – Spring 2021 be noted.

Agenda Item 1

Commercial Ventures Executive Sub-Committee
3 June 2021

Minutes

7. INVESTMENT OPPORTUNITIES - 3 JUNE 2021

There were no Investment Opportunity matters to be considered.

8. PROPERTY ACQUISITIONS - 3 JUNE 2021

There were no Property Acquisitions matters to be considered.

9. LOANS, GRANTS AND DRAW DOWN AGREEMENTS - 3 JUNE 2021

There were no Loans, Grants and Draw Down Agreements matters to be considered.

10. EXEMPT BUSINESS

RESOLVED that members of the Press and public be excluded from the meeting for the following items of business under Section 100A(4) of the Local Government Act 1972 on the grounds that:

- i) it involves 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 outweighs the public interest in disclosing the information.

11. SHAREHOLDER ACTIONS - COMPANIES PERFORMANCE UPDATE EXEMPT

The Sub-Committee considered exempt information on the performance of companies owned or part-owned by the Council, as of Spring 2021, and as considered by the Overview & Scrutiny Committee on 18 March 2021.

No further questions or concerns were raised, and there were no additional observations from the Overview & Scrutiny Committee.

RESOLVED that the exempt information regarding the Companies Performance Update – Spring 2021 be noted.

12. ANY OTHER BUSINESS

No other business was raised.

The Meeting closed at 6.40 pm



SIGNED OFF BY	Head of Legal and Governance
AUTHOR	Kirsty Jane Hill, Democratic Services Officer
TELEPHONE	Tel: 01737 276749
EMAIL	Kirsty.J.Hill@reigate-banstead.gov.uk
TO	Commercial Ventures Executive Sub-Committee
DATE	Thursday, 30 September 2021
EXECUTIVE MEMBER	Portfolio Holder for Investment and Companies

KEY DECISION REQUIRED	No
WARDS AFFECTED	(All Wards);

SUBJECT	Shareholder Actions – 30 September 2021 (a) Greensand Holdings Limited
----------------	---

RECOMMENDATIONS
<p>The Commercial Ventures Executive Sub-Committee as shareholder representative for Greensand Holdings Limited (the Company), a company 100% owned by RBBC, are requested to:</p> <ul style="list-style-type: none"> i. Receive the Company's Directors' Report and Audited Financial Statements for the year ended 31 December 2020 set out in the exempt Part 2 section of this agenda; ii. Approve the re-appointment of Kreston Reeves LLP as auditor for Greensand Holdings Limited for the year to 31 December 2021; iii. For the auditor appointed to Greensand Holdings Limited in (ii) above, authorise the Directors of the Company to fix the auditors' remuneration for the year to 31 December 2021 as set out in the exempt Part 2 section of this agenda; iv. 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 Part 2 section of this agenda.

Agenda Item 4

REASONS FOR RECOMMENDATIONS	
i.	<p>The Commercial Ventures Executive Sub-Committee, as shareholder representative for Greensand Holdings Limited (the Company), is 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 between the Company and RBBC and keep the shareholder informed.</p> <p>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>
ii.	<p>The shareholder representative is 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.</p> <p>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>
iii.	<p>The shareholder representative, for the auditor appointed to Greensand Holdings Limited in (ii) above, is 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 2006.</p>
EXECUTIVE SUMMARY	
<p>The Commercial Ventures Executive Sub-Committee is required to consider all the actions set out in Recommendations above in its capacity as shareholder representative for Greensand Holdings Limited in order the Company can meet its statutory obligations under the Companies Act 2006 in respect of Directors' Report and Audited Financial Statements for the year ended 31 December 2020 and the appointment and remuneration of auditors.</p>	
<p>The Commercial Ventures Executive Sub-Committee has authority to approve the above recommendations.</p>	

STATUTORY POWERS	
1.	<p>Section 1 of the Localism Act 2011 gives local authorities a general power of competence to do anything that individuals generally may do, where this is not prohibited by other legislation. This includes the power to set up alternative delivery vehicles to exercise its powers and duties.</p>
2.	<p>Section 4 of the Localism Act 2011 stipulates that where in the exercise of the general power a local authority acts for a purely commercial purpose, the authority must do so through a company.</p>
3.	<p>Companies and the rights of shareholders are governed by the Companies Act 2006.</p>
BACKGROUND	
4.	<p>At its meeting on 30 June 2016, the Executive authorised the creation of a local authority trading company, Greensand Holdings Limited, and originally delegated</p>

the shareholder function of the Council with regard to this company to the Property Executive Sub-Committee, and subsequently to the Commercial Ventures Executive Sub-Committee.

5. Following the dissolution of the Property Executive Sub-Committee and the Health and Wellbeing Executive Sub-Committee at its meeting on 30 May 2019, the Executive authorised the creation of a Commercial Ventures Executive Sub-Committee for the purpose of monitoring the performance of, and take decisions on, the Council's existing and potential commercial ventures and other investments. This includes undertaking all functions of the Council as a shareholder under the Companies Act 2006 in relation to those companies or partnerships owned, or part owned, by the Council, except as otherwise specified.

OPTIONS

- 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 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.
- 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.
- 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 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.

LEGAL IMPLICATIONS

6. The Directors 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.
7. Failure to pay the late filing penalty can result in enforcement proceedings. Any criminal proceedings taken as a result of non-filing of accounts is separate from, and in addition to, any late filing penalty imposed against a company for filing accounts late. The Registrar may also take steps to strike a company off the public record if these documents are delivered late.
8. Section 1 of the Localism Act 2011 provides local authorities with the power to do anything an individual may do, subject to a number of limitations. This is referred to as the 'general power of competence'. A local authority may exercise the general power of competence for its own purpose, for a commercial purpose and/or for the benefit of others; ie this includes the setting up of companies as alternative delivery

Agenda Item 4

vehicles to exercise its powers and duties. In exercising this power, a local authority is still subject to its general duties (such as the fiduciary duty it owes to its rate and local tax payers and to the public law requirements to exercise the general power of competence for a proper purpose).

FINANCIAL IMPLICATIONS

9. The Greensand Holdings Limited's Directors' Report and Audited Financial Statements for the year ended 31 December 2020 must be approved and lodged with the Registrar of Companies before 30 September 2021 in order to avoid late filing penalties as set out below.

Length of period	Private company penalty (measured from the date the accounts are due)
Not more than 1 month	£150
More than 1 month but not more than 3 months	£375
More than 3 months but not more than 6 months	£750
More than 6 months	£1,500

10. This report does not have any direct financial implications for the Council. The Council's company investments are reported in its annual statement of accounts.

EQUALITIES IMPLICATIONS

11. The Council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to:
- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act;
 - Advance equality of opportunity between people who share those protected characteristics and people who do not;
 - Foster good relations between people who share those characteristics and people who do not.

The Commercial Ventures Executive Sub-Committee should therefore ensure that it has regard for these duties by considering them through the course of its work.

COMMUNICATION IMPLICATIONS

12. There are no direct communication implications arising from the recommendations of this report. However, as identified in the Commercial Governance Framework, the Commercial Ventures Executive Sub-Committee should have regard for the Local Authorities (Companies) Order 1995, which sets out the rights for authorities and individual Members to receive company specific information.

RISK MANAGEMENT CONSIDERATIONS

14. All commercial ventures and investment activities contain an element of risk, and the Commercial Ventures Executive Sub-Committee should consider these as part of the decision making process for any decisions relating to commercial ventures and investment activities.

Agenda Item 4

- | | |
|-----|--|
| 15. | As set out in Financial Implications above, if the accounts are not lodged with the Registrar of Companies on time, late filing fees are imposed. |
| 16. | As set out in Legal Implications above, it should also be noted that failure to file accounts is a criminal offence which can result in directors being fined personally in the criminal courts. Failure to pay the late filing penalty can result in enforcement proceedings. Any criminal proceedings taken as a result of non-filing of accounts is separate from, and in addition to, any late filing penalty imposed against the company for filing accounts late. The Registrar may also take steps to strike the company off the public record if these documents are delivered late. |

HUMAN RESOURCES

- | | |
|-----|--|
| 17. | Where Council Officers are appointed as directors, it should be noted that this has resource implications. |
|-----|--|

BACKGROUND PAPERS

None

This page is intentionally left blank

SIGNED OFF BY	Head of Legal and Governance
AUTHOR	Kirsty Jane Hill, Democratic Services Officer
TELEPHONE	Tel: 01737 276749
EMAIL	Kirsty.J.Hill@reigate-banstead.gov.uk
TO	Commercial Ventures Executive Sub-Committee
DATE	Thursday 30 September 2021
EXECUTIVE MEMBER	Portfolio Holder for Investment and Companies

KEY DECISION REQUIRED	No
WARDS AFFECTED	(All Wards);

SUBJECT	Shareholder Actions – 30 September 2021 (b) Horley Business Park Development LLP
----------------	---

RECOMMENDATIONS
<p>The Commercial Ventures Executive Sub-Committee as partner representative for Horley Business Park Development LLP (the Company), a company part-owned by Reigate and Banstead Borough Council (RBBC), are requested to:</p> <ol style="list-style-type: none"> Receive the Horley Business Park Development LLP's Annual Report and Financial Statements for the year ended 31 December 2020, set out in the exempt Part 2 section of this agenda; Direct the RBBC Board Representatives of the Company to approve the Annual Report and Financial Statements for the year to 31 December 2020; 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 (the Company) for the year to 31 December 2021; and For the auditor appointed to Horley Business Park Development LLP in (iii) 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 Part 2 of this agenda.
REASONS FOR RECOMMENDATIONS

<ul style="list-style-type: none"> i. ii. iii. iv. 	<p>The Commercial Ventures Executive Sub-Committee as the partner representative is 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>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;</p> <p>The Annual Report and Financial Statements for the year to 31 December 2020 can be lodged with Companies House once approved by all the Board Representatives.</p> <p>The partner representative is 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>For the auditor appointed to Horley Business Park Development LLP in (iii.) above, the partner representative is 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) (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.</p>
<p>EXECUTIVE SUMMARY</p>	
<p>The Commercial Ventures Executive Sub-Committee is required to consider all the actions set out in Recommendations above in its capacity as partner representative for Horley Business Park Development LLP in order it can meet its statutory obligations under the Companies Act 2006 and The Limited Liability Partnerships Act 2000 and its constitutional obligations in respect of the annual report and accounts; the appointment and remuneration of auditors.</p>	
<p>The Commercial Ventures Executive Sub-Committee has authority to approve the above recommendations.</p>	

<p>STATUTORY POWERS</p>	
<ul style="list-style-type: none"> 1. 2. 	<p>Section 1 of the Localism Act 2011 gives local authorities a general power of competence to do anything that individuals generally may do, where this is not prohibited by other legislation. This includes the power to set up alternative delivery vehicles to exercise its powers and duties.</p> <p>Section 4 of the Localism Act 2011 stipulates that where in the exercise of the general power a local authority acts for a purely commercial purpose, the authority must do so through a company.</p>

3. Companies and LLPs are governed by the Companies Act 2006; The Limited Liability Partnerships Act 2000; and The Limited Liability Partnerships Regulations 2001 (as amended principally by the Limited Liability Partnerships (Application of Companies Act 2006) Regulations 2009).

BACKGROUND

4. At its meeting on 15 October 2015, the Executive authorised the formation of a Joint Venture Limited Liability Partnership (Horley Business Park Development LLP).
5. At its meeting on 30 May 2019, the Executive authorised the creation of a Commercial Ventures Executive Sub-Committee for the purpose of monitoring the performance of, and take decisions on, the Council's existing and potential commercial ventures and other investments. This included undertaking all functions of the Council as a shareholder under the Companies Act 2006 in relation to those companies or partnerships owned, or part owned, by the Council.

OPTIONS

- 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.
- 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 the Council's commercial entities are governed correctly and meet their statutory requirements.
- 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.

LEGAL IMPLICATIONS

6. The Board Representatives can be fined and the company struck off the Register of Companies if accounts are not lodged with Companies House.
7. Failure to file accounts is a criminal offence and in addition to penalties to which the LLP may be subject, late filing of accounts may also give rise to personal liability for the LLP's designated members (who are statutorily responsible for compliance with filing requirements) (regulation 3 and Schedule 1, Limited Liability Partnerships Regulations 2001).
8. Failure to deliver accounts on time is a criminal offence for which the designated members serving when the deadline is missed may be prosecuted and subject personally to a fine of up to £5,000 and, for continued contravention, a daily default

fine of £500. There are also powers for the court to order them to comply with their filing duties.

9. The Registrar may also take steps to strike the company off the public record if these documents are delivered late.
10. Section 1 of the Localism Act 2011 provides local authorities with the power to do anything an individual may do, subject to a number of limitations. This is referred to as the 'general power of competence'. A local authority may exercise the general power of competence for its own purpose, for a commercial purpose and/or for the benefit of others; i.e. this includes the setting up of companies as alternative delivery vehicles to exercise its powers and duties. In exercising this power, a local authority is still subject to its general duties (such as the fiduciary duty it owes to its rate and local taxpayers and to the public law requirements to exercise the general power of competence for a proper purpose).

FINANCIAL IMPLICATIONS

11. The Horley Business Park Development LLP's Annual Report and Financial Statements for the year ended 31 December 2020 must be approved and lodged with the Registrar of Companies ordinarily before 30 September 2021 in order to avoid late filing penalties as set out below.

Length of period	Private company penalty (measured from the date the accounts are due)
Not more than 1 month	£150
More than 1 month but not more than 3 months	£375
More than 3 months but not more than 6 months	£750
More than 6 months	£1,500

12. This report does not have any direct financial implications for the Council. The Council's company investments are reported in its annual statement of accounts.

EQUALITIES IMPLICATIONS

13. The Council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to:
 - Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act;
 - Advance equality of opportunity between people who share those protected characteristics and people who do not;
 - Foster good relations between people who share those characteristics and people who do not.

The Commercial Ventures Executive Sub-Committee should therefore ensure that it has regard for these duties by considering them through the course of its work.

COMMUNICATION IMPLICATIONS

14. There are no direct communication implications arising from the recommendations of this report. However, as identified in the Commercial Governance Framework, the

Commercial Ventures Executive Sub-Committee should have regard for the Local Authorities (Companies) Order 1995, which sets out the rights for authorities and individual Members to receive company specific information.

RISK MANAGEMENT CONSIDERATIONS

15. All commercial ventures and investment activities contain an element of risk, and the Commercial Ventures Executive Sub-Committee should consider these as part of the decision making process for any decisions relating to commercial ventures and investment activities.
16. As set out in Financial Implications above, if the Council's commercial entity's accounts are not lodged with the Registrar of Companies on time, late filing fees are imposed.
17. As set out in Legal Implications above, it should also be noted that failure to file accounts is a criminal offence which can result in designated members being fined personally in the criminal courts. Failure to pay the late filing penalty can result in enforcement proceedings. Any criminal proceedings taken as a result of non-filing of accounts is separate from, and in addition to, any late filing penalty imposed against the company for filing accounts late. The Registrar may also take steps to strike the company off the public record if these documents are delivered late.

HUMAN RESOURCES

18. Where Council Officers are appointed as Board Representatives, it should be noted that this has resource implications.

BACKGROUND PAPERS

None

This page is intentionally left blank

Agenda Item 5



SIGNED OFF BY	Head of Legal and Governance
AUTHOR	Kirsty Jane Hill, Democratic Services Officer
TELEPHONE	Tel: 01737 276749
EMAIL	Kirsty.J.Hill@reigate-banstead.gov.uk
TO	Commercial Ventures Executive Sub-Committee
DATE	Thursday 30 September 2021
EXECUTIVE MEMBER	Portfolio Holder for Investment and Companies

KEY DECISION REQUIRED	N
WARDS AFFECTED	(All Wards);
SUBJECT	Shareholder Actions - RBBC Housing – Independent Living re AGM

RECOMMENDATIONS
<p>The Commercial Ventures Executive Sub-Committee are 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"> Note that an annual general meeting (AGM) for RBBC Housing – Independent Living is 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); To vote in favour of the following resolutions being proposed at RBBC Housing – Independent Living's AGM, as set out in Notice of AGM (Annex B): <ol style="list-style-type: none"> 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. To receive and adopt RBBC Housing – Independent Living's unaudited Financial Statements for the period ended 31 March 2021 (Annex C).

Agenda Item 5

- (iii) To receive and adopt the Directors' report on the affairs of RBBC Housing – Independent Living (Annex D).
 - (iv) To consider the dissolution of RBBC Housing – Independent Living.
 - (v) THAT, pursuant to and in accordance with Article G12 of the RBBC Housing – Independent Living's rules and Section 119 of the Co-operative and Community Benefit Societies Act 2014 ("the Act") approve 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 this report); and
3. To appoint 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.

REASONS FOR RECOMMENDATIONS

The Commercial Ventures Executive Sub-Committee are asked, as shareholder representative for Reigate and Banstead Borough Council, in respect of RBBC Housing – Independent Living, to:

1. Note that an annual general meeting (AGM) for RBBC Housing – Independent Living (Community Benefit Society) is 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 is 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 the following resolutions being proposed at RBBC Housing – Independent Living's AGM:
 - (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 CBS's Rules;
 - (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.
 - (v) To approve the instrument of dissolution in order this can be sent to the FCA to effect the dissolution.

The Commercial Ventures Executive Sub-Committee has authority to approve the above recommendations.

STATUTORY POWERS

1. Section 1 of the Localism Act 2011 gives local authorities a general power of competence to do anything that individuals generally may do, where this is not prohibited by other legislation. This includes the power to set up alternative delivery vehicles to exercise its powers and duties.

BACKGROUND

Following approval for the creation of a Community Benefit Society at the Commercial Ventures Executive Sub-Committee on 7 November 2019, the CBS was incorporated on 7 October 2020 with the intention to manage housing, including Social Housing, housing management services, associated facilities and amenities to prevent or relieve poverty and the relief of aged, disabled (whether physically or mentally) or chronically sick people and own and provide housing, including Social Housing to prevent or relieve poverty and the relief of aged, disabled (whether physically or mentally) or chronically sick people.

The CBS has remained inactive.

KEY INFORMATION

Commercial Ventures Executive Sub-Committee is required to consider the Recommendations set out above in its capacity as shareholder representative for Reigate & Banstead Borough Council in order that RBBC Housing – Independent Living can meet its statutory obligations under the Companies Act 2006 in respect of Directors' Report and Audited Financial Statements for the year ended 31 December 2020 and the appointment and remuneration of auditors.

OPTIONS

- 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.
- 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.
- Option 3:** Do not approve the required actions. This is not the recommended option as not filing 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.

Agenda Item 5

LEGAL IMPLICATIONS

1. Section 1 of the Localism Act 2011 provides local authorities with the power to do anything an individual may do, subject to a number of limitations. This is referred to as the 'general power of competence'. A local authority may exercise the general power of competence for its own purpose, for a commercial purpose and/or for the benefit of others; ie this includes the setting up of companies as alternative delivery vehicles to exercise its powers and duties. In exercising this power, a local authority is still subject to its general duties (such as the fiduciary duty it owes to its rate and local tax payers and to the public law requirements to exercise the general power of competence for a proper purpose).

FINANCIAL IMPLICATIONS

2. The Council is required to pay for the accountant's services to the CBS and the legal fees relating to work associated with the AGM and the CBS's dissolution. These costs can be accommodated within existing approved budgets.

EQUALITIES IMPLICATIONS

3. The Council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to:
 - Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act;
 - Advance equality of opportunity between people who share those protected characteristics and people who do not;
 - Foster good relations between people who share those characteristics and people who do not.
4. The Commercial Ventures Executive Sub-Committee should therefore ensure that it has regard for these duties by considering them through the course of its work.

COMMUNICATION IMPLICATIONS

5. There are no direct communication implications arising from the recommendations of this report. However, as identified in the Commercial Governance Framework, the Commercial Ventures Executive Sub-Committee should have regard for the Local Authorities (Companies) Order 1995, which sets out the rights for authorities and individual Members to receive company specific information.

RISK MANAGEMENT CONSIDERATIONS

6. All commercial ventures and investment activities contain an element of risk, and the Commercial Ventures Executive Sub-Committee should consider these as part of the decision making process for any decisions relating to commercial ventures and investment activities.
7. The Financial Conduct Authority can prosecute the CBS if it does not submit its Accounts and Annual Return.

Agenda Item 5

HUMAN RESOURCES	
8.	Where Council Officers are appointed as directors, it should be noted that this has resource implications.
BACKGROUND PAPERS	
None.	

This page is intentionally left blank

Registration number 8475
RBBC Housing - Independent Living ("the Association")
Consent to short notice of an annual general meeting

We, the undersigned, are the members of the Association entitled to attend and vote at the annual general meeting to be held at Town Hall, Castlefield Road, Reigate, Surrey, RH2 0SH on Thursday 30 September 2021 at 1945 ("**the Meeting**").

We consent to the holding of the Meeting at the time, date and place set out in the attached notice convening the Meeting notwithstanding that it shall have been convened on less than the period of notice required by the Association's rules.

.....
For and on behalf of the Association

TO BE SIGNED BY SHAREHOLDER(S)

Date: 21 September 2021

This page is intentionally left blank

RBBC Housing – Independent Living

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting (“**the Meeting**”) of RBBC Housing – Independent Living (“**the Association**”) will be held at Town Hall, Castlefield Road, Reigate, Surrey, RH2 0SH on Thursday 30 September 2021 at 1945.

You will be asked to consider and vote on the resolutions below. Resolutions 2 and 3 will be proposed as ordinary resolutions.

1. In light of the Association’s 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;
2. To receive and adopt the Association’s unaudited Financial Statements for the period ended 31 March 2021;
3. To receive and adopt the Directors’ report on the affairs of the Association.
4. To consider the dissolution of the Association.
5. THAT, pursuant to and in accordance with Article G12 of the Association’s rules and Section 119 of the Co-operative and Community Benefit Societies Act 2014 (“the Act”) approve the instrument of dissolution in the format prescribed by the Financial Conduct Authority 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.

By order of the Board

Mari Roberts Wood – Director

Luci Mould – Director

Simon Bland – Independent Director

Simon Rosser - Independent Director

Duane Kirkland - Independent Director

Kirsty Jane Hill – Secretary

21 September 2021

Notes to the Notice of Annual General Meeting

Appointment of proxies

1. If you are a shareholder who is entitled to attend and vote at the meeting, you are entitled to appoint one or more proxies to exercise all or any of your rights at the meeting and you should have received a proxy form with this notice of meeting. A proxy does not need to be a shareholder of the Association but must attend the meeting to represent you. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.
2. If you do not give your proxy an indication of how to vote on any resolution, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Meeting.
3. Shareholders can:
 - Appoint a proxy or proxies and give proxy instructions by returning the enclosed proxy form by post (see note 4).
 - Register their proxy appointment electronically (see note 5).
 - Appoint a corporate representative by completing the enclosed proxy form and delivering this proxy form at the Meeting.

Appointment of proxy by post

4. The notes to the proxy form explain how to direct your proxy how to vote on each resolution.

To appoint a proxy using the proxy form, the form must be:

- completed and signed;
- sent or delivered to the Association at Reigate and Banstead Borough Council, Town Hall, Castlefield Rd, Reigate, Surrey, RH2 0SH; and
- received by the Association no later than 17:00 24 September 2021.

In the case of a shareholder which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.

Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.

If you have not received a proxy form and believe that you should have one, or if you require additional proxy forms, please contact the Company Secretary.

Appointment of proxies electronically

RBBC Housing – Independent Living

5. As an alternative to completing the hard-copy proxy form, you can appoint a proxy electronically by email to the Secretary. For an electronic proxy appointment to be valid, your appointment must be received by the Association no later than 3 clear days of the Meeting.

This email address should not be used for any other purposes unless expressly stated.

Changing proxy instructions

6. Shareholders may change proxy instructions by submitting a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact the Company Secretary at the registered address.

If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

Termination of proxy appointment

7. A shareholder may terminate a proxy instruction but to do so you will need to inform the Association in writing by sending a signed hard-copy notice clearly stating your intention to revoke your proxy appointment to the Association. In the case of a shareholder which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.

The revocation notice must be received by the Association no later than 2 days before the date of the AGM.

If you attempt to revoke your proxy appointment but the revocation is received after the time specified, your original proxy appointment will remain valid unless you attend the meeting and vote in person.

Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.

Corporate representatives

8. A corporation which is a shareholder can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a shareholder provided that they do not do so in relation to the same shares.

Communication

RBBC Housing – Independent Living

9. Except as provided above, shareholders who have general queries about the meeting should the Company Secretary.

You may not use any electronic address provided either:

- in this notice of annual general meeting; or
- any related documents (including the proxy form),

to communicate with the Association for any purposes other than those expressly stated.

10. Subject to the Rules and except where a ballot is demanded or directed, voting on all resolutions will be conducted on a show of hands.

As soon as practicable following the meeting, the results of the voting will be announced.

RBBC Housing - Independent Living

UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2021

Company registration: 8475

Registered under the Co-operative and Community Benefit Societies Act 2014.

CONTENTS

	Page
Community Benefit Society information	1
Directors' Report	2
Revenue account	3
Balance sheet	4
Notes to the financial statements	5

RBBC HOUSING - INDEPENDENT LIVING

DIRECTORS' REPORT FOR THE PERIOD ENDED 31 MARCH 2021

Members of the committee

Reigate and Banstead Borough Council
Mari Wood
Lucinda Mould
Caroline Waterworth (resigned July 2021)
Simon Bland (appointed September 2021)
Simon Rosser (appointed September 2021)
Duane Kirkland (appointed September 2021)

Registered office address

Reigate and Banstead Borough Council
Town Hall
Castlefield Road
Reigate
Surrey
RH2 0SH

Secretary

Kirsty Hill

Accountants

Kreston Reeves LLP
Springfield House
Springfield Road
Horsham
West Sussex
RH12 2RG

RBBC HOUSING - INDEPENDENT LIVING

DIRECTORS' REPORT FOR THE PERIOD ENDED 31 MARCH 2021

The Board present their report and the unaudited financial statements for RBBC Housing – Independent Living for the period 7 October 2020 to 31 March 2021.

Principal Activity

The CBS was incorporated on 7 October 2020. Its registration with the Financial Conduct Authority confirmed its business would be 'to manage housing, including Social Housing, housing management services, associated facilities and amenities to prevent or relieve poverty and the relief of aged, disabled (whether physically or mentally) or chronically sick people. The society may also own and provide housing, including Social Housing to prevent or relieve poverty and the relief of aged, disabled (whether physically or mentally) or chronically sick people.'

RBBC Housing – Independent Living's Board Members:

Simon Bland (appointed September 2021)
Duane Kirkland (appointed September 2021)
Lucinda Mould
Simon Rosser (appointed September 2021)
Caroline Waterworth (resigned July 2021)
Mari Wood

Board's responsibilities statement

The Board is responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

The Co-operative and Community Benefit Societies Act 2014 requires the Board to prepare financial statements for each financial year. The Board has elected to prepare the financial statements under the historical cost convention and in accordance with FRS 102 section 1A (the Financial Reporting Standard applicable in the UK and Republic of Ireland) and the requirements of the Co-operative and Community Benefit Societies Act 2014.

Review of the business

As it could not be used for its original purpose, RBBC Housing – Independent Living has remained inactive.

Summary of the financial position

RBBC Housing – Independent Living has £4 share capital.

This report was approved by the Board on 21 September 2021 and signed on behalf of the Board by:

M Wood
Chair

K J Hill
Secretary

RBBC HOUSING - INDEPENDENT LIVING**REVENUE ACCOUNT****FOR THE PERIOD ENDED 31 MARCH 2021**

	2021
	£
Turnover	-
Cost of sales	-
	<hr/>
Gross profit	-
Administration costs	-
	<hr/>
Operating surplus/(deficit)	-
Interest payable and similar charges	-
	<hr/>
Surplus/(deficit) for the financial period	<hr/> <hr/>

These financial statements were approved and authorised for issue by the Committee of Management on

Signed on behalf of the Committee of Management

.....
Mari Wood Committee member

.....
Lucinda Mould Committee member

.....
Kirsty Hill Secretary

RBBC HOUSING - INDEPENDENT LIVING**BALANCE SHEET****FOR THE PERIOD ENDED 31 MARCH 2021**

		2021	
	Note	£	£
Current assets			
Cash in hand		<u>4</u>	
Net current assets			4
Net assets			<u>4</u>
Capital and reserves			
Share Capital	3	<u>4</u>	
Total capital and reserves			<u>4</u>

These financial statements were approved and authorised for issue by the Committee of Management on

Signed on behalf of the Committee of Management

.....
Mari Wood Committee member

.....
Lucinda Mould Committee member

.....
Kirsty Hill Secretary

RBBC HOUSING - INDEPENDENT LIVING

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 MARCH 2021

1 Principal accounting policies

Basis of preparation of financial statements

The financial statements for the first period since incorporation from 7 October 2020 to 31 March 2021 have been prepared under the historical cost convention and in accordance with FRS 102 section 1A (the Financial Reporting Standard applicable in the UK and Republic of Ireland) and the requirements of the Co-operative and Community Benefit Societies Act 2014. They are prepared in sterling and rounded to the nearest £1.

The society has been inactive since its incorporation on 7 October 2020 and the intention is for it to be wound up.

Society information

The society is a community benefit society registered in England under the Co-operative and Community Benefit Societies Act 2014 with society registration number 8475. The registered office is the address given on page 1.

2 Employees

There were no employees during the period.

3 Share capital

	2021
	£
Share Capital - £1 ordinary shares	
At start of period on registration	4
At end of period	4

4 Members

	No.
At start of period on registration	4
At end of period	4

5 Related party transactions

There were no related party transactions.

This page is intentionally left blank

RBBC HOUSING - INDEPENDENT LIVING

DIRECTORS' REPORT FOR THE PERIOD ENDED 31 MARCH 2021

The Board present their report and the unaudited financial statements for RBBC Housing – Independent Living for the period 7 October 2020 to 31 March 2021.

Principal Activity

The CBS was incorporated on 7 October 2020. Its registration with the Financial Conduct Authority confirmed its business would be 'to manage housing, including Social Housing, housing management services, associated facilities and amenities to prevent or relieve poverty and the relief of aged, disabled (whether physically or mentally) or chronically sick people. The society may also own and provide housing, including Social Housing to prevent or relieve poverty and the relief of aged, disabled (whether physically or mentally) or chronically sick people.'

RBBC Housing – Independent Living's Board Members:

Simon Bland (appointed September 2021)
Duane Kirkland (appointed September 2021)
Lucinda Mould
Simon Rosser (appointed September 2021)
Caroline Waterworth (resigned July 2021)
Mari Wood

Board's responsibilities statement

The Board is responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

The Co-operative and Community Benefit Societies Act 2014 requires the Board to prepare financial statements for each financial year. The Board has elected to prepare the financial statements under the historical cost convention and in accordance with FRS 102 section 1A (the Financial Reporting Standard applicable in the UK and Republic of Ireland) and the requirements of the Co-operative and Community Benefit Societies Act 2014.

Review of the business

As it could not be used for its original purpose, RBBC Housing – Independent Living has remained inactive.

Summary of the financial position

RBBC Housing – Independent Living has £4 share capital.

This report was approved by the Board on 21 September 2021 and signed on behalf of the Board by:

M Wood
Chair

K J Hill
Secretary

This page is intentionally left blank