

Report of	Strategic Director	Author	Ian Vipond
Title	Creation of New Commercial Companies - Trading Board Terms of Reference		☎ 282717
Wards affected	Not applicable		

This report concerns the proposal to Cabinet for the creation of new commercial companies and the revised role the Trading Board should adopt in relation to those proposed companies and any subsequent change to the Boards Terms of Reference.

1. Decision(s) Required

- 1.1 To review the proposal to Cabinet for new commercial companies and particularly the revised role for Trading Board as set out in Section 4.4 (page13) of the attached Business Case for the 'Creation of Colchester Commercial (Holdings) Limited.
- 1.2 To recommend to Cabinet any revised role of the Trading Board.

2. Reasons for Decision(s)

- 2.1 Cabinet will consider on the 14 June a report (attached) recommending the creation of a holding company and a subsidiary company (Trading Company). Two companies have already been approved by Cabinet (Housing Company and Energy Company) and these companies together with the Trading Company will be subsidiaries of the holding company. In connection with this the Cabinet will be asked to agree some 18 specific recommendations one of which is:

'1.9 To note that the Trading Board Terms of Reference will be revised to include their role regarding new trading opportunities, and performance monitoring for Colchester Commercial.'

- 2.2 Trading Board need to consider their future role if Cabinet decide to agree the report and its recommendations on the 14 June and recommended any suggestions to Cabinet.

3. Alternative Options

- 3.1 The Trading Board could consider a range of amendments to its Terms of Reference which it feels are appropriate and recommend them to Cabinet.

4. Supporting Information

- 4.1 Full details of the creation of the proposed new commercial companies can be found in the Cabinet report (14 June) and accompanying Business Case. Both of which are attached to this agenda.

- 4.2 The Boards attention is drawn to Section 4.4 of the Business Case (p13 of the Business Case) which sets out four areas where it is proposed the role of the Board could change. The Board may consider that these are sufficient to accommodate the new structure being created or they could consider further matters should be considered by Cabinet to address the creation of the companies and the role the Board should take in the new circumstances.

5. Proposals

- 5.1 See attached Cabinet report and papers.

6. Strategic Plan References

- 6.1 The Strategic Plan sets out the direction of the Borough and Council in the medium term. The new structures need to ensure implementation of the Plan with appropriate Governance arrangements.

7. Consultation

- 7.1 The Trading Board is being consulted on the detail of its relationship to the proposed new arrangements.

8. Publicity Considerations

- 8.1 The Cabinets decision will be reported widely to the Councils partners; the media and added to our website. If the new companies are established it is likely that they will wish to publicise their objectives and aims.

9. Financial implications

- 9.1 See attached Business Case

10. Equality, Diversity, Human Rights, Community Safety, Health and Safety implications

- 10.1 None particularly identified on this specific matter.

13. Risk Management Implications

- 13.1 Risks have been considered in the attached Business Case. This report is specific to a particular aspect of governance and it would be a risk if the right governance arrangements were not put in place.