

# East Cambs Trading co. Ltd

BOARD OF DIRECTORS REPORT

DECEMBER 2016

## UPDATE REPORT- DECEMBER 2016

The purpose of this report is to provide an update on the key themes set out in the Half Yearly Report (September 2016).

### **1.0 GOVERNANCE**

1.1 There are no governance changes to report.

### **2.0 RISK MANAGEMENT**

#### **2.1 Legislative/Policy**

No new risks identified.

ECTC continue to monitor any impacts from legislative changes. At present there are no key risks that constrain the current trading activities.

#### **2.2 Governance**

No new risks identified.

The Councils Shareholder Review Committee is reviewing the arrangements of the current Shareholder Committee and will bring forward recommendations to Council to address the current “scrutiny” function of the Shareholder Committee.

#### **2.3 Economic**

No new risks identified.

ECTC and the Council continue to ensure both organisations are in a financially viable position to ensure economic risk does not materialise.

#### **2.4 Operational**

No new risks identified.

ECTC continue to be mindful of the operational risks referred to in the Risk Management Plan.

### **3.0 Teckal Compliance**

3.1 In accordance with the Shareholder Agreement, ECTC is currently Teckal compliant.

3.2 As identified in the Half Yearly Report there is every possibility that ECTC will not be Teckal compliant in the future. ECTC have instructed Grant Thornton and Trowers & Hamblins to recommend a solution that enables ECTC to achieve the aspirations of its Business Plan and maintain Teckal compliance.

The Options will be considered by the Board of Directors in January 2017 and presented to the Council once a recommendation has been agreed by the Board.

## 4.0 BUDGET REPORT

EAST CAMBRIDGESHIRE TRADING COMPANY TO 30th SEPTEMBER 2016						
Revenue	Total Budget	Profiled Budget to 30th September 2016	Actual to 30th September 2016	Variance to date	Projected Outturn	Variance between Total Budget & Projected Outturn
	£	£	£	£	£	£
<b>Corporate</b>						
Salaries	12,000	6,000	11,339	5,339	13,954	1,954
Premises Costs	5,000	2,500	0	-2,500	5,000	0
Supplies and Services	128,844	69,422	24,341	-45,081	128,844	0
Interest payable on ECDC Loan	27,000	7,269	8,238	969	27,000	0
	<b>172,844</b>	<b>85,191</b>	<b>43,917</b>	<b>-41,274</b>	<b>174,798</b>	<b>1,954</b>
<b>Markets</b>						
Salaries for Seconded Staff	83,549	41,775	48,763	6,988	83,549	0
Premises Costs	16,930	17,011	18,138	1,127	18,138	1,208
Vehicle Costs	2,096	1,291	1,212	-79	2,096	0
Supplies and Services	10,548	6,309	7,901	1,592	10,548	0
Income	-191,255	-95,628	-98,463	-2,836	-191,255	0
	<b>-78,132</b>	<b>-29,242</b>	<b>-22,449</b>	<b>6,793</b>	<b>-76,924</b>	<b>1,208</b>
<b>Open Spaces - Commercial</b>						
Costs	0	0	237	237	34,467	34,467
Income	0	0	-17,233	-17,233	-34,467	-34,467
	<b>0</b>	<b>0</b>	<b>-16,996</b>	<b>-16,996</b>	<b>0</b>	<b>0</b>
<b>Palace Green Housing including Community Land Trusts</b>						
Salaries	279,781	139,891	111,093	-28,797	278,068	-1,713
Supplies and Services Costs-Kennett	491,964	245,982	120,304	-125,678	468,709	-23,255
Supplies and Services Costs-Soham	41,663	20,832	8,612	-12,219	75,710	34,047
Supplies and Services Costs-Barton Road	106,000	53,000	1,658	-51,342	810,433	704,433
Supplies and Services Costs-Haddenham	0	0	0	0	65,475	65,475
Supplies and Services Costs-Other	289,982	144,991	47,545	-97,446	67,865	-222,117
Income	-58,800	-29,400	-21,568	7,832	-71,840	-13,040
	<b>1,150,590</b>	<b>575,295</b>	<b>267,644</b>	<b>-307,651</b>	<b>1,694,420</b>	<b>543,830</b>
<b>Revenue Total</b>	<b>1,245,302</b>	<b>631,244</b>	<b>272,117</b>	<b>-359,127</b>	<b>1,792,295</b>	<b>546,993</b>
<b>Loan Funding</b>						
Loan From East Cambs District Council	-1,245,302	-631,244	-272,117	359,127	-1,792,295	-546,993
<b>Net Cash Position</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## **5.0 COMMERCIAL SERVICES**

### **5.1 Ely Markets**

*What has been achieved since September 2016?*

Ely Markets has run a very successful Vegan Fair which was held on 29 October 2016. We have received very positive feedback about the event, particularly on social media.

Ely Markets is currently running Festive Lates markets, which commenced on 17 November, every Thursday until Christmas. Again these markets have been successful and we continue to receive very positive feedback.

ECTC has commissioned a feasibility study that will set out options for bringing Wifi access to the Market Square for use by market stall holders. The feasibility study will also identify options to make wifi available to visitors and shopkeepers in the City of Ely.

### **5.2 Grounds Maintenance**

*What has been achieved since September 2016?*

ECTC will enter into an Operations Management contract with the Council in January 2017 and will commence the operation and management of the Sanctuary Grounds Maintenance contract on 1 April 2017 until 31 March 2020.

ECTC has been invited to tender for three schools contracts. The tenders have been submitted and a decision is expected early in the new year.

ECTC has been invited to tender on several new development sites for open space and SUDS maintenance and management. Tenders have been submitted and we are now in discussions with one particular developer as to some of the practicalities of SUDS maintenance.

## **6.0 PROPERTY DEVELOPMENT**

*What has been achieved since September 2016?*

ECTC has entered into a purchase and sale contract with the Council to acquire the land at Barton Road, Ely. Following additional surveys on site, detailed design work is now complete and the company is in the process of selecting the main building contractor. The land will transfer to the Company and work on site will commence in January 2017.

ECTC has submitted a planning application for the development of 13 homes on council owned land at The Shade in Soham. This project will deliver the first affordable homes for Soham CLT. If planning permission is granted we anticipate commencing construction in Summer 2017.

On behalf of the Council, ECTC has submitted a planning application for a new 128 space commuter car park at The Dock, Ely.

On behalf of the Council, ECTC has secured an option over land that is required to deliver an 80 space car park extension at Littleport Station.

ECTC has entered into a Promotion / Option agreement on land at Kennett. Proposals are being developed to bring forward a new Garden Village of around 500 new homes, with a Community Land Trust managing the affordable homes and community assets in the scheme.

Land has been secured in Haddenham to deliver a scheme of around 50 homes in association with Haddenham CLT.