

Item 6

REPORT TO COUNCIL

18 April 2008

REPORT OF CHIEF EXECUTIVE

MEMBERSHIP ON OUTSIDE ORGANISATIONS. **BE ENTERPRISING FRANCHISING COMPANY**

1. SUMMARY

Cabinet at its meeting on 13th March 2008 considered a report of the Assistant Chief Executive relating to the membership of Be Enterprising Franchising Company.

At that meeting Cabinet noted the contents of the report and progress made in establishing a Franchising Company to promote self employment within disadvantaged communities. It also recommended that Council appoint Councillor Lucy Hovvels to serve as a member of the Franchise Company.

2. RECOMMENDED

That Cllr Lucy Hovvels serve as a member of the Franchise Company.

3. BACKGROUND

- 3.1 Sedgefield Borough Council has lead on the development of the Franchise Project, as part of the LEGI programme. The programme seeks to use innovative measures to promote Franchising as a route to self employment, business start-up and business expansion.
- 3.2 Integral to the project was the establishment of a Franchising Company, which will utilise LEGI resources to purchase franchise opportunities to enable potential entrepreneurs from disadvantaged communities the opportunity to gradually buy into the franchise over time.
- 3.3 The LEGI Board commissioned Dickinson Dees solicitors to examine the optimal model of governance for the company. They recommended a company limited by guarantee with five Members, one from local government and four from the private sector. Each will have a personal financial liability of no more than £1. This company will not be local authority controlled within the meaning of the relevant legislation.

3.4 As Sedgefield Borough Council is leading on the development of the project, the LEGI Management Group has agreed that the Borough Council should nominate a representative to sit on the Board of the Be Enterprising Franchising Company. This appointment may need to be reviewed by the new Unitary Council post April 2009.

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Examination by Statutory Officers

	Yes	Not Applicable
1. The report has been examined by the Councils Head of the Paid Service or his representative	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. The content has been examined by the Councils S.151 Officer or his representative	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3. The content has been examined by the Council's Monitoring Officer or his representative	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4. The report has been approved by Management Team	<input type="checkbox"/>	<input checked="" type="checkbox"/>