

SURREY COUNTY COUNCIL**STRATEGIC INVESTMENT BOARD****DATE: 18 DECEMBER 2019****REPORT OF: MR TIM OLIVER, LEADER OF THE COUNCIL****LEAD OFFICER: LEIGH WHITEHOUSE, EXECUTIVE DIRECTOR OF RESOURCES****SUBJECT: SURREY FIRST COMPANY CLOSURE****SUMMARY OF ISSUE:**

Surrey First (**the Company**) was a company limited by guarantee created by Surrey County Council (**the Council**) and Surrey Training and Enterprise Council in April 1993 with representatives of locally-based businesses. The Company's purpose was to attract inward investment into the county of Surrey.

The company ceased activity in May 2001. It has been held as a dormant company since that time.

There are no plans to return the Company to active use.

RECOMMENDATIONS:

It is recommended that Surrey First is wound up through a voluntary strike-off at Companies House.

REASON FOR RECOMMENDATIONS:

The Company has been dormant for 18 years. While small, there is an administrative burden to maintaining a dormant company. There are no plans to return to Company to activity and so it should be closed.

The original purpose of the Company is now fulfilled in a different way by the Council.

DETAILS:**Background**

1. Surrey First was created to attract inward investment into the county of Surrey. The historic records state that the Company was successful in its mission during its active years, forging links with overseas business hubs.
2. It is not clear why the Company ceased activity in 2001 but there is evidence of a split between the public sector (the Council and Surrey Training and Enterprise Council) and the business representatives at the time. The business representatives in the Company formed a new organisation, "SERIL". No further information is apparent from the documentation available.

3. Upon ceasing activity, the Company remitted its entire available cash balance of £7,291 to Surrey Business Enterprise Agency and a foundation linked to the Company, the Surrey First Foundation, was closed. The Company has no remaining assets.

Latest Status

4. The Council took over the administration of the Company after it became dormant. All other 'members' (guarantors of the Company) and directors withdrew or resigned, respectively. The Council is the only remaining member of the Company and Anna D'Alessandro, a Council employee, is the only active director.
5. The Company was considered for closure at the beginning of 2019. It was decided to be kept open for the remainder of the year in case any use could be found for it. No possible use has been forthcoming.
6. The purpose of the Company is now fulfilled under the 'Invest in Surrey' brand, organised and administered by the Council directly. Any residual brand value in the name 'Surrey First' will now have expired due to its long period of inactivity.

Closure

7. Closure of the Company will free-up the name for use. The Council may wish to use the name for another company, potentially one linked to the Council's Investment Strategy.
8. The closure process is relatively straightforward. A request can be made to Companies House for a voluntary strike off along with payment of the £10 fee. The closure will be advertised by Companies House and the Company will be dissolved two months after the application is made, subject to no objections being received. There are no known reasons for an objection to be made.

CONSULTATION:

9. The Shareholder and Investment Panel and the Asset Strategy Board have been consulted on the proposals in this paper and support its recommendation.

RISK MANAGEMENT AND IMPLICATIONS:

10. If any objections to the closure are received these will be reviewed and acted upon accordingly.

FINANCIAL AND VALUE FOR MONEY IMPLICATIONS

11. Financial implications are minimal. Maintaining a dormant company costs £13 per year in fees and some officer time in the preparation and filing of dormant company accounts and other administrative submissions. The £10 closure fee is easily offset by this cost saving.

SECTION 151 OFFICER COMMENTARY

12. No material financial impact as noted above. Recommend closure of the Company.

LEGAL IMPLICATIONS – MONITORING OFFICER

13. With the General Power of Competence in Section 1 of the Localism Act 2011 the Council has the power to “do anything which an individual generally may do”. The general power is subject to some limitations but none apply in this situation. Therefore, the Council may utilise the general power to wind up its interest in the Company.

EQUALITIES AND DIVERSITY

14. There are no equalities or diversity implications arising out of this report.

WHAT HAPPENS NEXT:

15. The following next steps will take place if the report is approved:
- a. A voluntary strike off application will be made to Companies House
 - b. Companies House will advertise the proposed closure and take the necessary steps to close the company in two months' time.

Contact Officer:

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Consulted:

The following have been consulted in the preparation of this report:

- Finance Services;
- Land & Assets Service;
- Legal Services;
- Shareholder and Investment Panel; and
- Asset Strategy Board.

Annexes:

None

Sources/background papers:

- None
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