

MINUTE EXTRACT

SHAREHOLDER BOARD 28 OCTOBER 20201

6 EDSENTIAL REQUEST FOR FUNDING

The Senior Finance Manager introduced a report on a request for funding from Edsential CIC, a company wholly owned equally by the Council and Cheshire West and Chester Council.

He noted that Edsential CIC had experienced significant trading and financial difficulties primarily as a consequence of the COVID-19 pandemic. The Company had been in negotiations with officers of both the Council and Cheshire West and Chester Council with a view to obtaining additional financial support.

Members asked questions on the details of the loan such as whether the exact amount could be reduced if the Council felt that Edsential did not need the full amount, and whether they would have the facility to re-pay the loan early if they found that they could. The Senior Finance Manager stated that the exact terms of the loan were still to be negotiated and that issues like these could be worked into those terms.

On a motion by Councillor Williamson, seconded by Councillor Green it was –

Resolved – That Policy and Resources Committee be recommended to:

- (a) authorise the Director of Resources in consultation with the Director of Law and Governance to approve financial support to be provided to the company over the forthcoming financial year, in the form of Covid related funding support grant of £643,000 and an interest bearing loan of £857,000 as set out in the detail and in appendix 1 of this report.**
- (b) authorise the Director of Resources in consultation with the Director of Law and Governance to provide a letter of comfort to Edsential confirming the agreed financing and support.**