

Single Member Cabinet Decision

Executive
Forward Plan
Reference

E 2987

RULE 16: Extending Cabinet delegation to enable Property disposal of Riverside and Loan to ACL

Decision makers	Councillor Patrick Anketell-Jones, Cabinet Member: Economic Development
The Issue	Proposed disposal of a Lease of Riverside and Provision of a Loan to Aequus Construction Limited, a wholly owned subsidiary of Aequus Developments Limited.
Decision Date	On 23 June 2017
The decision	<p>The Cabinet Member approves:</p> <p>An extension of the resolution of Cabinet dated 2 December 2015, relating to Aequus Developments Limited (ADL) so that reference to the “ company” includes reference to Aequus Construction Limited (ACL), a wholly owned subsidiary of ADL and in particular to permit :</p> <ol style="list-style-type: none">1. a transfer of the Lease of Riverside to ACL2. the extension of the delegated power in paragraph 7 (approval of Council investment) to enable the provision of the Loan to ACL.3. the extension of the indemnity in paragraph 13 to Council members and officers appointed as directors of ACL
Rationale for decision	<p>The rationale for the decision is to enable the progression of the Riverside development and to ring fence risk and maximise returns to the council through an improved VAT and Corporation Tax position.</p> <p>The decision is being made in accordance with Rule 16 of the Council’s constitution. It would generally be a Cabinet decision but to enable the proposed development to proceed it is necessary to use the Council’s urgency procedure.</p> <p>The urgency arises as a result of the increased costs to the Council caused by any delay to the development timetable.</p>
Financial and budget implications	The loan to ACL will be in accordance with the capital provisions approved by Council in Feb 2017 as part of the 2017/18 Budget and will be charged at an appropriate market rate of interest in order to comply with EU State Aid regulations.

	<p>This proposal supports the delivery of the Council's Medium Term Financial Plan to 2019/20, with an additional £650k of recurring income targeted by the end of this period. The loan interest is a key element to delivering this income.</p>
<p>Issues considered (these are covered in more detail in the report)</p>	<p>None</p>
<p>Consultation undertaken</p>	<p>The comments of the Monitoring Officer (Head of Legal and Democratic Services) and Chief Financial Officer were obtained. Both the Cabinet, Chief Executive and Strategic Director for Resources have also been consulted.</p>
<p>How consultation was carried out</p>	<p>Consultation has included 'discussion at SMT, telephone conversations and written communication</p> <p>In addition the Monitoring Officer, S151 and Chief Executive have confirmed that they accept that the decision is urgent and ready to be made in line with the recommendation in the report.</p> <p>The Chair of the Resources PDS panel has also been consulted about the urgency of the decision and had confirmed that they regard it as urgent.</p>
<p>Other options considered</p>	<p>None.</p>
<p>Declaration of interest by Cabinet Member(s) for decision, including any dispensation granted:</p>	<p>None</p>
<p>Any conflict of interest declared by anyone who is consulted by a Member taking the decision:</p>	<p>None</p>

<p>Signatures of Decision Makers</p>	<p>Patrick Anketell-Jones</p>
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Date of Signature	June 2017