

Single Member Cabinet Decision

**Executive
Forward Plan
Reference****E 3627****Aequus Business Plan, Shareholder Decision**

Decision maker/s	Cllr Kevin Guy, Leader of the Council
The Issue	Seeking approval of a development loan from the Council for the acquisition of land at St Clement's Road, Keynsham
Decision Date	21st August 2025
The decision	To approve the development loan borrowing of up to £3.2m from the Council on the commercial terms as set out in the Business Case provided at Exempt Appendix 1 to deliver this housing development
Rationale for decision	<p>In accordance with the Aequus Business Plan approved by the Shareholder in February 2025, ACL has been working on a number of site opportunities which have the potential to support the Aequus development pipeline and meet the Shareholder's financial and wider objectives for the company.</p> <p>The site at Keynsham Health Centre has been subject to positive engagement and discussion over the past 12 months with NHS Property Services Ltd. This has led to a number of potential opportunities being identified and the ability for Aequus, as a wholly owned Council company, to acquire identified surplus sites directly from the NHS.</p> <p>The site identified as surplus at Keynsham Health Centre has the potential, subject to planning, to support the development of up to 7 family homes. These will be designed to deliver:</p> <ul style="list-style-type: none">• Good quality family homes delivered to space standards appropriate for the development and market.• All homes on the site will be developed to meet the B&NES sustainability planning policy standards.• All homes will benefit from a dedicated electric vehicle charging point.• The scheme will not be land banked and will be progressed as a priority once full planning is achieved.• ACL financial returns will support delivery of the B&NES Council (as Shareholder) financial objectives including the payment of Shareholder dividends.

Financial and budget implications	<p>The Council has a development loan facility agreement in place with Aequus Construction limited and it is proposed that £3.2m will be drawn down to fund this proposed acquisition and development.</p> <p>The loan will be made on commercial terms in line with the Government subsidy control requirements with interest and capital repaid in accordance with the loan facility agreement.</p> <p>There are no direct revenue costs for the Council and this proposal supports the delivery of the Council's Medium Term Financial Planning requirements for £1m of income each year from Aequus.</p>
Issues considered	Property; Corporate; Other Legal Considerations
Consultation undertaken	Section 151 Finance Officer; Monitoring Officer, Shareholder Advisory Group
How consultation was carried out	Internal consultation with S151 and Monitoring Officer was carried out as the initial Business Case was developed.
Other options considered	None the decision is an executive function of the Council as Shareholder
Declaration of interest by Cabinet Member(s) for decision:	None
Any conflict of interest declared by anyone who is consulted by a Member taking the decision:	None

Name and Signature of Decision Maker/s	Councillor Kevin Guy Leader of Bath and North East Somerset Council
Date of Signature	21 August 2025

NOT Subject to Call-in