

## **EXECUTIVE**

Minutes of the special meeting held on 15 July 2022 starting at 8.30 am

### **Present:**

Councillor Colin Smith (Chairman)  
Councillors Yvonne Bear, Nicholas Bennett MA J.P.,  
Aisha Cuthbert, Angela Page and Diane Smith

### **Also Present:**

Councillor Kim Botting FRSA, Councillor Mike Botting,  
Councillor David Cartwright QFSM, Councillor Simon  
Fawthrop, Councillor Adam Grant, Councillor Keith  
Onslow, Councillor Will Rowlands and Councillor Harry  
Stranger

## **39 APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors Kate Lymer and Christopher Marlow. Councillors Christopher Marlow, Simon Jeal and Sunil Gupta attended online.

## **40 DECLARATIONS OF INTEREST**

There were no declarations of interest.

## **41 MEADOWSHIP HOMES PHASE 2 (PART 1)** Report FSD22059

The report advised on the option to acquire up to approximately 320 properties under a funding arrangement with Orchard and Shipman for use as accommodation to help reduce the current pressures in relation to homelessness and temporary accommodation.

### **RESOLVED that**

**(1) It is agreed that the Council enters into a new limited liability partnership (LLP) arrangement described in this report with Orchard and Shipman for the acquisition of up to 320 residential properties (final property numbers dependent upon final loan amounts and property purchase prices).**

**(2) It is agreed that the acquired properties will be leased by the LLP to Orchard and Shipman Homes for a 50-year period on an FRI basis and immediately after that period freehold titles will be transferred to the Council for £1 with no outstanding debt payable.**

**(3) Council be recommended to agree the loan of up to £15m to the LLP for a period of 50 years with annual repayments starting from year 3 of 1.6% per annum and increasing annually by CPI (collared at 0-5%), funded from unallocated balances on the Housing Investment Fund, Housing Invest to Save Fund and New Homes Bonus earmarked reserves.**

**(4) Council be recommended to agree to enter into a guarantee agreement with the Funder to guarantee the loan facility of up to £100m to the LLP and undertake to meet the liabilities of the LLP in respect of the loan facility in the event of loan repayment default.**

**(5) It is agreed that the Council enters into (i) the Members' Agreement for the LLP (between the Council, Orchard and Shipman Residential Limited, and the LLP), (ii) a guarantee agreement with the Funder (see part 2 report) to guarantee the loan facility of up to £100m to the LLP and undertake to meet the liabilities of the LLP in respect of the loan facility in the event of loan repayment default, (iii) a loan facility agreement between the Council and the LLP for the loan made by the Council, and (iv) a Nomination Agreement with Orchard and Shipman Homes to secure nomination rights to the acquired properties (v) and all other ancillary documents in connection with the scheme.**

**(6) The proposed approach to managing changes in the Funder's rate before the agreements are finalised as set out in paragraph 7.13 of the report be agreed.**

**(7) Authority be delegated to the Director of Housing, Planning and Regeneration in consultation with the Director of Finance, Director of Corporate Services and Governance and the Portfolio Holder for Renewal, Recreation and Housing to carry out due diligence in connection with the scheme, agree the details of each agreement and enter into all relevant agreements in connection with this scheme.**

**(8) It is agreed that Sara Bowrey, Director of Housing, Planning and Regeneration and James Mullender, Head of Finance, Adults Health & Housing be appointed as the Council's nominees to the board of the LLP, with authority to act on behalf of the Council in relation to all matters not reserved to the Council under the Members' Agreement; such nominees to be indemnified by the Council and on the basis that the LLP will arrange suitable insurance for its Board members.**

**(9) It is noted that subject to the approval of the above and final loan amounts/number of properties purchased, the scheme will provide full year savings of up to £1.9m per annum.**

**(10) It is noted that should there be any material change to the scheme from the details set out in the report then a further report will be presented to the Executive to inform Members of such change.**

**42 LOCAL GOVERNMENT ACT 1972 AS AMENDED BY THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) (VARIATION) ORDER 2006 AND THE FREEDOM OF INFORMATION ACT 2000**

**RESOLVED** that the Press and public be excluded during consideration of the item of business referred to below as it is likely in view of the nature of the business to be transacted or the nature of the proceedings that if members of the Press and public were present there would be disclosure to them of exempt information.

**The following summary  
refers to matters involving exempt information**

**43 MEADOWSHIP HOMES PHASE 2 (PART 2)**

The Executive considered part 2 details relating to Meadowship Homes Phase 2.

The Meeting ended at 8.41 am

Chairman