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Cherwell

DISTRICT COUNCIL
NORTH OXFORDSHIRE

Committee: Shareholder Committee
Date: Wednesday 13 December 2023
Time: 6.30 pm
Venue: Bodicote House, Bodicote, Banbury, Oxon OX15 4AA

Membership

**Councillor Barry Wood
(Chairman)**
Councillor Donna Ford
Councillor Dan Sames

Councillor Adam Nell (Vice-Chairman)
Councillor Nicholas Mawer

AGENDA

1. **Apologies for Absence**

2. **Declarations of Interest**

Members are asked to declare any interest and the nature of that interest which they may have in any of the items under consideration at this meeting.

3. **Minutes** (Pages 5 - 12)

To confirm as a correct record the Minutes of the meeting of the Committee held on 12 October 2023.

4. **Chairman's Announcements**

To receive communications from the Chairman

5. **Urgent Business**

The Chairman to advise whether they have agreed to any item of urgent business being admitted to the agenda.

6. **Crown House Banbury Limited Quarter Two Business Report 2023/24** (Pages 13 - 16)

Report of the Shareholder Representative

Purpose of report

To note, comment and approve recommendations in response to Crown House Banbury Limited Quarter Two Business Report.

Recommendations

The Shareholder Committee is recommended:

- 1.1 To note and comment on the Crown House Banbury Ltd Quarter Two 2023/24 Business Report as contained in this report.

7. Exclusion of the Public and Press

The following items of business contain exempt information as defined in the following paragraphs of Part 1, Schedule 12A of Local Government Act 1972.

- 3 Information relating to the financial or business affairs of any particular person (including the authority holding that information)

Members are reminded that whilst the following items have been marked as exempt, it is for the meeting to decide whether or not to consider each of them in private or in public. In making the decision, members should balance the interests of individuals or the Council itself in having access to the information. In considering their discretion members should also be mindful of the advice of Council Officers.

Should Members decide not to make a decision in public, they are recommended to pass the following recommendation:

“That, in accordance with Section 100A(4) of Local Government Act 1972, the press and public be excluded from the meeting for the following items of business, on the grounds that they could involve the likely disclosure of exempt information as defined in paragraphs 3 of Schedule 12A of that Act and that in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.”

8. Crown House Banbury Limited Loan Positions (Pages 17 - 24)

Exempt report of the Assistant Director of Finance and S151 Officer

9. Graven Hill Village Development Company (GHVDC) Quarter Two Business Report 2023/24 and Quarter Three Verbal Flash Update (Pages 25 - 98)

Exempt report of the Shareholder Representative

10. Graven Hill Governance Review Action Plan Update (Pages 99 - 102)

Exempt report of the Assistant Director of Law and Governance and Monitoring Officer

Please note Appendix A will be to follow.

Councillors are requested to collect any post from their pigeon hole in the Members Room at the end of the meeting.

Information about this Meeting

Apologies for Absence

Apologies for absence should be notified to democracy@cherwell-dc.gov.uk or 01295 221586 prior to the start of the meeting.

Declarations of Interest

Members are asked to declare interests at item 2 on the agenda or if arriving after the start of the meeting, at the start of the relevant agenda item.

Local Government and Finance Act 1992 – Budget Setting, Contracts & Supplementary Estimates

Members are reminded that any member who is two months in arrears with Council Tax must declare the fact and may speak but not vote on any decision which involves budget setting, extending or agreeing contracts or incurring expenditure not provided for in the agreed budget for a given year and could affect calculations on the level of Council Tax.

Evacuation Procedure

When the continuous alarm sounds you must evacuate the building by the nearest available fire exit. Members and visitors should proceed to the car park as directed by Democratic Services staff and await further instructions.

Access to Meetings

If you have any special requirements (such as a large print version of these papers or special access facilities) please contact the officer named below, giving as much notice as possible before the meeting.

Mobile Phones

Please ensure that any device is switched to silent operation or switched off.

Queries Regarding this Agenda

Please contact Kerry Wincott, Law and Governance kerry.wincott@cherwell-dc.gov.uk, 01295 221586

Yvonne Rees
Chief Executive

Published on Tuesday 5 December 2023

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Cherwell District Council

Shareholder Committee

Minutes of a meeting of the Shareholder Committee held at Bodicote House, Bodicote, Banbury, Oxon OX15 4AA, on 12 October 2023 at 6.30 pm

Present:

Councillor Barry Wood (Chairman)
Councillor Adam Nell (Vice-Chairman)
Councillor Donna Ford
Councillor Nicholas Mawer
Councillor Dan Sames

Also Present Virtually:

Karen Curtin, Managing Director, Graven Hill Village Development Company (agenda items 6, 10, 11 and 12)
Adrian Unitt, Interim Managing Director, Graven Hill Development Company (agenda items 6, 10, 11 and 12)
Sue Smith, Chairman Graven Hill Development Company (agenda items 6, 10, 11 and 12)
Tim Shaw, Interim Finance Director, (agenda items 6, 10, 11 and 12)

Officers:

Shiraz Sheikh, Assistant Director Law & Governance and Monitoring Officer
Michael Furness, Assistant Director Finance & S151 Officer
Emma Faulkner, Principal Officer - Scrutiny and Democratic Lead
Kerry Wincott, Law & Governance Officer

12 **Declarations of Interest**

There were no declarations of interest.

13 **Minutes**

The minutes of the meeting of the Committee held on 05 July 2023 were confirmed as a correct record and signed by the Chairman.

14 **Chairman's Announcements**

There were no announcements made by the Chairman.

15 **Urgent Business**

There were no items of urgent business.

16 **Appointment of Non-Executive Directors**

The Committee considered a report from the Shareholder Representative, which detailed the appointment of three new non-executive directors to replace the Council appointed non-executive directors on the Graven Hill Village Development Company Board. The Committee noted that the recruitment process had been a valuable exercise with high-calibre candidates appointed.

Resolved

- (1) That the appointment of Non-Executive Director Terry Fuller, Elizabeth Rappaport and David Gelling for the Graven Hill companies be approved, subject to appropriate checks being completed.

17 **Crown House Banbury Limited Quarter One Business Report 2023/24**

The Committee considered a report of the Shareholder Representative, which detailed the current financial position, revised year end position, progress against key performance indicators, key issues, risks, targets, and activities for current and the next quarter for the Crown House Companies for Quarter One 2023/24.

The company director of Crown House Companies Ltd commented on the development regarding electric meters, making mention of present-day completion of MPAN numbers registration; advising that the landlord electric supply remained with Ginger with tenants transferred to an independent supply from EON.

Members advised they had a number of questions on the exempt appendices and would raise these at agenda item 9.

Resolved

- (1) That the Crown House Banbury Ltd Quarter One 2023/24 Business Report as contained in this report be noted.
- (2) That the Crown House Banbury Ltd 23/24 Budget Plan be approved.

18 **Exclusion of the Public and Press**

Resolved

That, in accordance with Section 100A (4) of Local Government Act 1972, the press and public be exclude from the meeting for the following items of business, on the grounds that they could involve the likely disclosure of exempt information as defined in paragraph 3 of Schedule 12A of that Act and that in all the circumstance of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

19 **Crown House Banbury Limited Quarter One Business Report - Exempt Appendices**

The committee raised questions on the exempt appendices which were duly responded to.

20 **Graven Hill Governance Review Action Plan**

The Committee considered an exempt report of the Monitoring Officer and Assistant Director – Law and Governance, presenting the Governance Review Action Plan. The report followed a request at the last Shareholder Committee meeting for implementation in order to ensure oversight of the remaining actions emerging from the governance report. The Committee welcomed the action plan in order to ensure on-going governance.

Resolved

- (1) That the Graven Hill Governance Review Action Plan be approved.

21 **Graven Hill Village Development Company (GHVDC) Quarter One Business Report 2023/24**

The Committee considered an exempt report from the Shareholder Representative, which detailed the in-year key strategic risks, performance, and financial update for Graven Hill Village Development Company Ltd (GHVDC). The report also provided an update on S106 contributions, the audit of the 2022/23 Financial Statements and presented a looking back view of the GHVDC activities for 2022/23 via the annually produced Year In View document. The committee recognised it was the Managing Director of Graven Hill Village Development Company last committee meeting and expressed their appreciation towards the contributions made.

Resolved

- (1) That the Graven Hill Village Development Company Quarter One Business Report be noted.

- (2) That the verbal Quarter Two (2023/24) Flash update be noted.
- (3) That, having given due consideration, the Graven Hill Village Development Company S106 update be noted.
- (4) That the 22/23 Audited Financial Statements for Graven Hill Village Development Company and subsidiaries be noted.
- (5) That the GHVDC 2022/23 Year In Review document be noted.
- (6) That the GHVDC Quarter One Business Report and verbal Quarter Two (2023/24) update be approved.

22

Graven Hill Bonus Scheme 2024/2025

The Committee considered an exempt report from the Shareholder Representative, which detailed Graven Hill Village Development Company's bonus scheme for 2024/25. The report followed the Committee's decisions in July 2023.

Resolved

- (1) That the recommendations set out in the exempt report be approved.

The meeting ended at 7.50 pm

Chairman:

Date:

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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Cherwell District Council

Shareholder Committee

13 December 2023

Crown House Banbury Limited

Quarter Two Business Report 2023/24

Report of Steve Hinds, Shareholder Representative

This report is public with an appendix which is exempt from publication by virtue of paragraph 3 of Schedule 12A of the Local Government Act 1972.

Purpose of report

To note, comment and approve recommendations in response to Crown House Banbury Limited Quarter Two Business Report.

1.0 Recommendations

The **Shareholder Committee** is recommended:

- 1.1 To note and comment on the Crown House Banbury Ltd Quarter Two 2023/24 Business Report as contained in this report.

2.0 Introduction

- 2.1 This report sets out the in-year key strategic risks, performance, and financial update for the Crown House Companies for Quarter Two 2023/24.
- 2.2 The Crown House Companies Directors will attend the meeting to present an update on the operational delivery of Crown Apartments for comment and approval by the Shareholder Committee.

3.0 Report Details

- 3.1 This report contains information on the current financial position, revised year end position, progress against key performance indicators, key issues, risks, targets, and activities for current and the next quarter for the Crown House Companies for Quarter Two 2023/24.
- 3.2 The performance of Crown House continues to improve with voids and tenant turnover rates down and steady monthly rental income.

Key Performance Indicators

KPI	Performance Measure	Current Performance
% of Voids (at any one time)	5% or less of total residential units	8% based off the end of the last quarter. This is due to there being 2 unavailable units as a result of larger scale maintenance issues which have now been rectified.
Voids	5.	There are currently 4 voids as of the end of the last quarter.
% of Rent Arrears (excluding Utilities) for residential units	5% or less of Gross Income	14% as of the end of the last quarter. Legal action is being taken and the Court has awarded possession for the larger arrears cases, with notices being served on the smaller arrears cases where applicable.
% of Rent Arrears for car parking spaces	5% or less of Gross Income	14% based off the end of the last quarter. This is based off from one non payer at the end of the last quarter.
% of Bad Debt (Apartments)	1% or less of total income due from the 50 residential units	22% at end of last quarter (vacated arrears). Legal action is currently being taken
% of Tenant Turnover Rate	10% for the full year	1% per month based off last quarter.
Tenant Turnover Rate	3	1% per month based off last quarter
Time taken to let new tenancies	20 working days – (allowing for references and works required between tenancies)	45 days approx. (excl. unavailable units and early terminations which are prioritised to allow tenants to leave their contract early and minimise further financial obligations).
Monthly Reports to be submitted to Client	To be submitted no later than the next working day following the 9th of each month.	10 th working day of the month.

4.0 Conclusion and Reasons for Recommendations

- 4.1 The electricity sub-metering programme has now commenced with both EON and the electrical contractors due to make contact with tenants shortly.
- 4.2 Contracted support continues to be reviewed, and an internal governance review took place in October.
- 4.3 Draft accounts have been prepared and the annual audit is currently underway.

5.0 Consultation

- 5.1 The recommendations in this report have been discussed between the Shareholder Representative, the Council's Section 151 Officer and Monitoring Officer and the Directors and Officers of the Crown House Companies as part of the regular Shareholder Liaison meetings which take place throughout the year.

6.0 Alternative Options and Reasons for Rejection

- 6.1 None

7.0 Implications

Financial and Resource Implications

- 7.1 The Council's finance team is in regular contact with the Directors and Officers of Crown House to ensure the latest financial projections have been considered and considered in the formulation of the Medium-Term Financial Strategy.

Comments checked by:

Michael Furness, S.151 Officer & AD – Finance. Telephone: 01295 2216845, Email: Michael.furness@cherwell-dc.gov.uk

Legal Implications

- 7.2 There are no legal implications arising directly from this report. Legal and governance advice is provided as required by the internal legal services team.

Comments checked by:

Shiraz Sheikh, Monitoring Officer & AD – Law, Governance & Democratic Services. Telephone: 01295 227981, Email: Shiraz.sheikh@cherwell-dc.gov.uk

Risk Implications

- 7.3 The risk implications are identified within Strategic Risk section of this report, these risks are managed and monitored between the Council as Shareholder and Crown House Companies as the Company. The regular reporting of risks is made to the Shareholder Committee. Where it is appropriate, the strategic risks relevant to the Shareholder (Council) will be monitored and managed as part of the corporate risk register and governance arrangements.

Comments checked by:

Celia Prado-Teeling, Performance and Insight Team Leader. Telephone: 01295 221556, Email: Celia.Prado-Teeling@cherwell-dc.gov.uk

Equalities and Inclusion Implications

- 7.4 There are no equalities and inclusion implications arising directly from this report.

Comments checked by:

Celia Prado-Teeling, Performance and Insight Team Leader. Telephone: 01295 221556, Email: Celia.Prado-Teeling@cherwell-dc.gov.uk

Sustainability Implications

7.5 There are no sustainability implications arising from this report.

Comments checked by:

Jo Miskin, Climate Action Manager. Telephone: 07900227103, Email: Jo.miskin@cherwell-dc.gov.uk

8.0 Decision Information

Key Decision N/A

Financial Threshold Met: N/A

Community Impact Threshold Met: N/A

Wards Affected

Banbury Wards

Links to Corporate Plan and Policy Framework

Business Plan - *Housing that meets your needs*

Lead Councillor

Not Applicable

Document Information

Appendix number and title

- None

Background papers

- None

Report Author and contact details

Nicola Riley
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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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