

Cherwell District Council

Shareholder Committee

Minutes of a meeting of the Shareholder Committee held at Bodicote House, Bodicote, Banbury, Oxon, OX15 4AA, on 26 September 2022 at 6.00 pm

Present:

Councillor Barry Wood (Chairman)
Councillor Nicholas Mawer
Councillor Adam Nell

Also Present:

Karen Curtin – Managing Director, Graven Hill Village Development Company (for agenda item 8).

Karen Orrey – Finance Director, Graven Hill Village Development Company (for agenda item 8).

Sue Smith – Chairman, Graven Hill Village Development Company (for agenda item 8).

Adrian Unit – Operations Director, Graven Hill Village Development Company (for agenda item 8).

Councillor Ian Corkin - Non-Executive Director, Graven Hill Village Development Company and Graven Hill Village Holding Company (for agenda item 8).

Councillor Simon Holland - Non-Executive Director, Crown House Companies (for agenda item 10), virtual.

Officers:

Nathan Elvery, Shareholder Representative

Nicola Riley, Assistant Director Wellbeing & Housing

Michael Furness, Assistant Director Finance & S151 Officer

Shahin Ismail, Interim Head of Legal Services & Deputy Monitoring Officer

Liza Ellis, Executive Assistant, Place, Growth and Commercial

Emma Faulkner, Democratic and Elections Officer

8 Adjournment of meeting

Due to the meeting being inquorate, it was agreed at 6:07pm that the meeting would be adjourned until all Committee members were present.

The meeting reconvened at 6:35pm.

9 Declarations of Interest

There were no declarations of interest.

10 **Minutes**

The Minutes of the meetings of the Committee held on 28 June and 18 July 2022 were confirmed as correct records and signed by the Chairman.

11 **Chairman's Announcements**

There were no Chairman's announcements.

12 **Urgent Business**

There were no items of urgent business.

13 **Exclusion of the Public and Press**

Resolved

- (1) 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 paragraph 3 of Schedule 12A of that Act and that in all circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

14 **Governance Review**

The Chairman advised the Committee that consideration of the Governance Review had been deferred to a future meeting.

15 **Graven Hill Village Development Company (GHVDC) - Quarter One Business Report 2022/23 Annual Report and Financial Statements for the year ended 31 March 2022**

The Committee considered the exempt report of the Shareholder Representative, that presented the Quarter One business report, financial statements and flash update to mid July 2022.

The Shareholder Representative advised that a different reporting format was being used, to draw the Committee's attention to key areas and updates.

The Managing Director – Graven Hill Village Development Company explained there were regular discussions between Graven Hill and the Local Planning Authority regarding in progress and upcoming planning applications. In response to questions from the Committee, the Managing Director – Graven Hill Village Development Company advised that some key

performance indicators were anticipated to report amber in the next quarter, due to the knock-on effect of delays in determining planning applications.

Regarding the financial statements, the Managing Director - Graven Hill Village Development Company explained the identified variance was due to a delay in completion of a s106 agreement. Discussions were ongoing with the purchaser and Cherwell Council legal team with a view to completing the agreement.

In response to questions from the Committee, the Managing Director - Graven Hill Village Development Company explained that the annual report and accounts information would become a public document when they were registered with Companies House. Regarding publication of the information, the Managing Director - Graven Hill Village Development Company added that the 'year in review' document could have some additional detail added for context.

Resolved

- (1) That the Graven Hill Village Development Company Quarter One Business report be noted and approved.
- (2) That the proposed changes to the Business Plan and Budget as per Q1 RFC be approved.
- (3) That the Annual Report and Financial Statements (audited) for the year ended 31 March 2022 for all applicable companies be noted.

16

Graven Hill Village Development Company (GHVDC) Shareholders' Agreement - Matters requiring the consent of the Council

The Committee considered an exempt report from the Shareholder Representative that detailed specific areas of discussion and required decision making relating to Graven Hill Village Holdings Limited and Graven Hill Village Development Company.

The Shareholder Representative explained to the Committee that the Shareholders Agreement required prior consent to be given by the Council in relation to certain reserved matters, and moving forward such issues would be reported separately to the main quarterly update to the Shareholder Committee.

Regarding recommendation 1.2 of the report and the payment of bonuses, the Shareholder Representative advised the Committee that some additional due diligence should be considered before the Committee made a decision. It was therefore proposed that recommendation 1.2 be deferred to a future meeting of the Committee, subject to a satisfactory resolution of the additional due diligence exercise.

The Committee thanked the Shareholder Representative for the clear and concise advice.

Resolved

- (1) That the incorporation of a subsidiary company to Graven Hill Village Development Company Ltd, named Graven Hill Village Management Company Block F Ltd, be agreed
- (2) That consideration relating to the payment of bonuses be deferred to a future meeting of the Committee, subject to a satisfactory resolution of the additional due diligence exercise.

17 **Crown House Banbury Ltd/Crown House Apartments Banbury Ltd (Crown Companies) - Quarter One Business Report 2022/23 and Draft Financial Statements for the year ended 31 March 2022**

The Committee considered an exempt report from the Shareholder Representative that provided a detailed update on the Crown House Banbury Ltd Quarter One business report, unaudited accounts for the Crown House Companies for the year ended 31 March 2022, and requested a review of key performance indicators and future ownership and operation options.

The Non-Executive Director of Crown House Companies advised the Committee that demand for flats was increasing each quarter, and previously reported issues with electricity supplies had been resolved.

Resolved

- (1) That the Crown House Banbury Ltd Quarter One Business Report be noted and approved.
- (2) That the Annual Draft Accounts for Crown House Banbury Limited and Crown House Apartments Limited (unaudited) for the year ended 31 March 2022 be noted.
- (3) That a review of the key performance indicators by the Council for the reporting of Crown House companies to the Shareholder Committee be approved.
- (4) That a review by the Shareholder Representative, Section 151 Officer and Head of Property into the options for future ownership and operation of Crown House Apartments be commissioned, to report back to the Committee during December 2022.

18 **Crown House Banbury Ltd/Crown House Apartments Banbury Ltd
(Crown Companies) Shareholders' Agreement - Matters requiring the
consent of Council**

The Committee considered an exempt report from the Shareholder Representative, that requested consent of the Committee in relation to consideration of future ownership options of Crown House Apartments.

As had been set out during the discussions on the previous agenda item, the Shareholder Representative had requested that a review be commissioned to consider future ownership options and operations. Approval of the recommendation for this report would allow the Committee to consider the results of the review for discussion and decision accordingly.

Resolved

- (1) That it be agreed that options be brought before Shareholder Committee regarding the future ownership and relationship Cherwell District Council should have with the assets of Crown House Banbury, namely Crown Apartments.

The meeting ended at 7.37 pm

Chairman:

Date: