

Report is Public	
Crown House Banbury Limited - Quarter Four Business Report 2024/25	
Committee	Shareholder Committee
Date of Committee	12 th June 2025
Portfolio Holder presenting the report	Leader of the Council, Councillor David Hingley
Date Portfolio Holder agreed report	3rd June 2025
Report of	Stephen Hinds, Shareholder Representative

Purpose of report

To note, comment and approve recommendations in response to Crown House Banbury Limited Quarter Four 2024/25 Business Report.

1. Recommendations

The Shareholder Committee is recommended to:

- 1.1 Note and comment on the Crown House Banbury Limited Quarter Four 2024/25 Business Report as contained in this report.
- 1.2 Note the Annual Accounts for the year ended 31 March 2024 as set out in **Appendices A and B** to this report
- 1.3 Note and approve the CDC Property Support Proposal principles set out in **Appendix C** within the exempt report.
- 1.4 Agree to receive a fully detailed Property Support Proposal at the next meeting.

2. Executive Summary

- 2.1 This report sets out the in-year key performance and financial update for the Crown House Companies for Quarter Four 2024/25.
- 2.2 The Crown House Companies Director will attend the meeting to present a verbal update on Crown Apartments' operational delivery, including details of the CCTV procurement and the ongoing electricity metering concerns
- 2.3 In the past year, a considered approach to building repair and improvement has been taken to contain costs while maximising occupancy and income.

Implications & Impact Assessments

Implications		Commentary		
Finance		<p>The Q4 report does not have a direct financial impact on the council; however, the overall profitability of the company impacts on the returns to the council. The council's finance team liaises regularly with Crown House to ensure that the MTFS reflects the latest agreed position in relation to the financial implications of Crown House on the council.</p> <p>Michael Furness, Assistant Director of Finance (S151 Officer), 27 May 2025</p>		
Legal		<p>There are no legal implications arising directly from this public report.</p> <p>Denzil – John Turbervill, Head of Legal Services, 03 June 2025</p>		
Risk Management		<p>There are no risks arising directly from this report. If any risks arise, they will be managed through the service operational risk and escalated to the Leadership Risk register as and when deemed necessary.</p> <p>Julie Miles, Performance Analyst and Developer, 22 May 2025</p>		
Impact Assessments		Positive	Neutral	Negative
Equality Impact			x	
A Are there any aspects of the proposed decision, including how it is delivered or accessed, that could impact on inequality?			x	
B Will the proposed decision have an impact upon the lives of people with protected characteristics, including employees and service users?			x	
Climate & Environmental Impact			x	
ICT & Digital Impact			X	
Data Impact			X	

Procurement & subsidy		x		N/A
Council Priorities	Business Plan - <i>Housing that meets your needs</i> With the caveat that this is private sector housing provided by a separate, arms-length, commercial company rather than social housing provided directly by Cherwell District Council.			
Human Resources	N/A			
Property	N/A			
Consultation & Engagement	N/A			

Supporting Information

3. Background

- 3.1 In 2017 Cherwell District Council (CDC) acquired the shares of Crown House Banbury Ltd (CHB) from Brickmort Developments Ltd. The company's purpose was to redevelop the unused and dilapidated property in its ownership in the town centre of Banbury. In March 2020, Stevenage Developments Ltd completed the development (instructed by CHB). The new development comprises 49 residential units (1 and 2-bed apartments) and one commercial unit. CHB established Crown Apartments Banbury Ltd (CAB) and granted a long lease to create major interest (VAT-related) for its subsidiary company. CHB transferred the management of the 49 residential units into CAB and kept the one commercial unit under direct management.

4. Details

4.1

KPI	Performance Measure	Q3 Performance	Current Performance (Q4)
% of Voids (at any one time)	5% or less of total residential units	0%	1%
Voids	2 at end of the quarter	0 at the end of December	1 at the end of March
% of Rent Arrears (excluding Utilities) for residential units	5% or less of Gross Income	1%	0.5%
% of Rent Arrears for car parking spaces	5% or less of Gross Income	4.76%	0%
% of Bad Debt (Apartments)	1% or less of total income due from	None for last quarter	No debts have been written off as unrecoverable/bad debts based off the last quarter

	the 49 residential units		
% of Tenant Turnover Rate	10% for the full year	5%	8%
Tenant Turnover Rate	3	2	6
Time taken to let new tenancies	20 working days – (allowing for references and works required between tenancies)	23 days (average) allowing for works required between tenancies and bank holidays	20 days (average) allowing for works required between tenancies and bank holidays
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	10 th working day of the month

- 4.2 The annual accounts for 2023-204 are attached as **Appendices A and B** and were filed on 28 March 2025. Unfortunately, an extension was required and sought due to several factors. Principally, our accountants did not supply the draft accounts to the auditors within the agreed timescale, which then caused a knock-on delay of a couple of months. Work was due to start in late July and did not begin until late September.
- 4.3 This year, we have an agreed start date of 4 August, confirmed with our accountants and auditors. We have also arranged a call between the Crown House Manager and the lead auditor in late June to ensure all requirements, including input from the Cherwell finance department, can be met promptly to prevent a recurrence.
- 4.4 We have appointments to start discussions to transfer to new accountants in this financial year.
- 4.5 Following the Shareholders' report in February 2025, CDC Property Service prepared a Property Support Proposal for consideration. This Proposal, if accepted, will provide Strategic Property Management advice and support to CDC.
- 4.6 **Appendix C of the exempt report** sets out principles of the proposal, including an outline of what the principal functions might contain and recommends that an SLA be produced.
- 4.7 CCTV will be installed at Crown House apartments, with a focus on communal areas inside, especially around the lifts and fire doors, and limited coverage externally to oversee the bin storage area. This is intended to serve two purposes: deter vandalism and identify vandals if the misuse of lifts, fire doors, and rubbish disposal continues.
- 4.8 The switch over from communal metering to single flats has not progressed in the last quarter.
- 4.9 The lifts will need to be refurbished in 2025/26, and costs are being sought currently.

5. Alternative Options and Reasons for Rejection

5.1 NIL

6 Conclusion and Reasons for Recommendations

- 6.1 The Companies continue to deliver on their prime purpose of good quality housing, associated car parking and a commercial unit.
- 6.2 The site continues to need investment. CCTV will be installed in the next financial year, and the lifts will be refurbished.
- 6.3 That CDC Property Services are appointed as per **Appendix C of the exempt report**.

Decision Information

Key Decision	N/A
Subject to Call in	Yes
If not, why not subject to call in	N/A
Ward(s) Affected	Banbury Wards

Document Information

Appendices	
Appendix A	Audited Financial Statement for 2023/24 – Crown House Banbury Limited
Appendix B	Audited Financial Statement for 2023/24 – Crown Apartments Banbury Limited
Appendix C – EXEMPT	Property Support Proposal
Background Papers	None
Reference Papers	None
Report Author	Nicola Riley
Report Author contact details	Email: Nicola.riley@cherwell-dc.gov.uk
Corporate Director Approval (unless Corporate Director or Statutory Officer report)	N/A

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