

Cherwell District Council

Shareholder Committee

Minutes of a meeting of the Shareholder Committee held at Bodicote House, Bodicote, Banbury, Oxon OX15 4AA, on 16 February 2023 at 6.30 pm

Present:

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

Also Present:

Councillor Ian Corkin, Non-Executive Director, Graven Hill Village Development Company and Graven Hill Village Holding Company (for agenda items 9, 10 and 11 only)

Also Present Virtually:

Councillor Simon Holland, Non-Executive Director, Crown House Companies and proposed Non-Executive Director, Graven Hill Village Development Company
Karen Curtin – Managing Director, Graven Hill Village Development Company (for agenda items 9, 10 and 11).
Sue Smith – Chairman, Graven Hill Village Development Company (for agenda items 9, 10 and 11).
Adrian Unit – Operations Director, Graven Hill Village Development Company (for agenda items 9, 10 and 11).

Officers:

Chris Hipkiss, Crown House Company Manager (for agenda items 7 and 8)
Michael Furness, Assistant Director Finance & S151 Officer
Emma Faulkner, Principal Officer - Scrutiny and Democratic Lead

Officers Attending Virtually:

Shiraz Sheikh, Monitoring Officer
Nicola Riley, Assistant Director Wellbeing & Housing/Non-Executive Director, Crown House Companies (for agenda items 7 and 8).

36 **Declarations of Interest**

There were no declarations of interest.

37 **Minutes**

The minutes of the meeting of the Committee held on 24 November 2022 were confirmed as a correct record and signed by the Chairman.

38 **Chairman's Announcements**

There were no Chairman's announcements.

39 **Urgent Business**

The Chairman advised the Committee that there was one public item of urgent business, that would be taken before the exclusion of the press and public.

40 **Shareholders' Agreement (Graven Hill Companies) - Nomination of Non-Executive Director**

The Committee considered an urgent report from the Shareholder Representative that proposed Councillor Simon Holland be nominated to the vacant Non-Executive Director position on Graven Hill companies.

Resolved

- (1) That Councillor Simon Holland be nominated to the vacant Non-Executive Director position on Graven Hill Companies.
- (2) That the Graven Hill Board be notified of the nomination.

41 **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 the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

42 **Crown House Banbury Limited - Quarter Three Business Report 2022/23**

The Committee considered an exempt report from the Shareholder Representative that gave an update on the current financial position, year end position and progress against key performance indicators for Crown House Companies for Quarter Three 2022/23.

The Crown House Company Manager advised the Committee that 11 performance indicators were reporting green, with two amber and two red. Progress on the two red indicators had improved going into Quarter four, particularly in relation to void properties which stood at five at the time of the meeting.

Regarding future options for Crown House Apartments, the Crown House Company Manger advised that a detailed report would be presented to the next meeting of the Committee.

Resolved

- (1) That the Crown House Banbury Ltd Quarter Three 2022/23 Business Report be noted.
- (2) That the Crown House Banbury Ltd Quarter Three 2022/23 Business Report be approved.

43 **Shareholders' Agreement (Crown House Companies) - Matters requiring the consent of the Council**

The Committee considered an exempt report from the Shareholder Representative that detailed matters relating to Crown House Companies that required consent of the Council.

The Council had sought advice regarding whether or not the group of companies were eligible for Group Relief, and it had been established that it did.

Resolved

- (1) That the losses on the Crown House companies be surrendered to Graven Hill for application in Graven Hill's 2021/22 corporation tax calculations under the group relief provisions.

44 **Graven Hill Village Development Company (GHVDC) - Quarter Three Business Report 2022/23**

The Committee considered an exempt report from the Shareholder Representative that provided the Quarter Three Business Report for Graven Hill Village Development Company.

The Managing Director – Graven Hill also gave a verbal update regarding progress to date for Quarter Four, advising the number of reservations and completions.

Regarding employment land, the Managing Director – Graven Hill advised that discussions were ongoing with the applicant and the Local Planning Authority.

In response to questions from the Committee, the Managing Director – Graven Hill explained that sales figures were on a par with other developers in the area.

Resolved

- (1) That the Graven Hill Village Development Company Quarter Three Business Report be noted.
- (2) That the verbal Quarter Four flash update be noted.
- (3) That the Quarter Three Business Report and verbal Quarter Four update be approved.

45 **Shareholders' Agreement Graven Hill Village Development Company - Matters requiring the consent of the Council**

The Committee considered an exempt report from the Shareholder representative that detailed matters relating to Graven Hill Village Development Company that required consent of the Council.

As detailed earlier in the meeting at agenda item 8, the Council had sought advice regarding whether or not the group of companies were eligible for Group Relief, and it had been established that it did.

Resolved

- (2) That the losses on the Crown House companies be surrendered to Graven Hill for application in Graven Hill's 2021/22 corporation tax calculations under the group relief provisions.

46 **Strategic Direction for Graven Hill Village Development**

The Committee considered an exempt report from the Shareholder Representative that provided an update on agreed actions from the Graven Hill Strategy day held in September 2022, and the Stack 18 workshop held in January 2023.

The Managing Director – Graven Hill advised the Committee that good progress was being made on Stack 18, with some further work required to finalise options.

The Monitoring Officer advised that it was proposed to hold an additional meeting of the Committee in March, to consider the full Stack 18 proposals.

Resolved

- (1) That the continued progress of the agreed actions from the Strategy Day held on 26 September 2022 and the outcomes from the Stack 18 workshop held on 26 January 2023 be noted.
- (2) That the proposal for a March Shareholder Committee to evaluate the opportunities to improve the ROI above the Stack 18 baseline be endorsed.

47 **Shareholders' Agreement Graven Hill Village Development Company - Matters requiring the consent of the Council - Bonus Payments**

The Committee considered an exempt report from the Shareholder Representative that detailed matters requiring the consent on the Council relating to bonus payments.

The Monitoring Officer advised the Committee that the ongoing Governance Review provided an opportunity for advice to be given in relation to a revised bonus scheme.

The Monitoring Officer noted observations made by Committee members regarding the possibility of an amended bonus scheme reflecting commercial approach, and reiterated that the governance review would provide advice on options rather than drafting a new scheme.

Resolved

- (1) That the payment of bonuses to the Director and Employees of Graven Hill Village Development Company Ltd for the year ended 31 March 2022 be retrospectively agreed, and it be noted that payments have been made through the company's annual appraisal process.
- (2) That it be agreed that bonus payments for 2022/23 be paused whilst the Governance Review provides urgent recommendations to the next Shareholder Committee as to:
 - a. Best practice for a bonus scheme
 - b. The terms of the current bonus scheme and any changes to it
 - c. The governance framework for any approvals of pay and bonuses
 - d. Any changes to the Shareholder Agreement in respect of pay and bonuses.

The meeting ended at 7.54 pm

Chairman:

Date: