

MINUTES of the meeting of the **STRATEGIC INVESTMENT BOARD** held at 10.00 am on 23 March 2021 via MS Teams, Remote Meeting.

These minutes are subject to confirmation by the Committee at its next meeting.

Elected Members:

(* Present)

- * Mr Colin Kemp
- * Mr Tim Oliver
- * Mrs Becky Rush
- * Ms Denise Turner-Stewart

In attendance

Mr Edward Hawkins, Deputy Cabinet Member for Property
Leigh Whitehouse, Executive Director for Resources
Anna D'Alessandro, Director- Corporate Finance
Patricia Barry, Director -Strategic Land and Property
Peter Hopkins, AD Commercial
Paul Evans, Director- Law and Governance
Paul Forrester, Strategic Finance Business Partner
Huma Younis, Committee Manager

15/21 APOLOGIES FOR ABSENCE [Item 1]

Apologies for absence were received from Mr Colin Kemp.

16/21 MINUTES OF THE PREVIOUS MEETING [Item 2]

The minutes of the previous meeting were agreed as a correct record.

17/21 DECLARATIONS OF INTEREST [Item 3]

There were none.

18/21 QUESTIONS AND PETITIONS [Item 4]

There were none.

19/21 EXCLUSION OF THE PUBLIC [Item 5]

RESOLVED: That under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting during consideration of the following items of business on the grounds that they involve the likely disclosure of exempt information under paragraph 3 of Part 1 of Schedule 12A of the Act.

20/21 PLACES FOR PEOPLE- UPDATE REPORT [Item 6]

This Part 2 annex contains information which is exempt from Access to Information requirements by virtue of paragraph 3 – Information relating to the

financial or business affairs of any particular person (including commercially sensitive information to the bidding companies).

[The decisions on this item can be called in by the Resources & Performance Select Committee]

RESOLVED:

1. That the termination and winding up of the Joint Venture Limited Liability Partnership South Ridge Development and by association the wider relationship with Places for People is approved.
2. That a compensatory payment of [E-5-21] by the end of March 2021 to South Ridge Development LLP as a full and final payment to cover actual realised losses incurred in undertaking company business is approved.
3. That revenue payments of parties legal and Insolvency Practitioner costs of up to circa [E-5-21] and [E-5-21] contingency is approved.

Reason for Decision:

By agreeing to the payment of [E-5-21] the Council will also obtain assignment of all due diligence and reports undertaken by South Ridge Development LLP.

These reports, contractor specifications etc would have had to have been undertaken by the Council and correspondingly incurred financial costs for doing so.

Places for People (PFP) are now prepared to settle within this financial year for actual incurred losses by the JV LLP and this provides a saving of over [E-5-21] being paid against their original contract compensation amount requested of [E-5-21] being made up of both actual losses and future non realised losses.

Based on external legal advice the amount of [E-5-21] is likely to be the best financial outcome for the Council.

The majority of the payment will be able to be capitalised due to the nature of the payments relating to Direct Losses and the payment covering all reports, surveys and procurement activities including the JV's OJEU Procurement framework.

The revenue costs are not expected to exceed [E-5-21]. There are some revenue costs that remain to be finalised – PFP legal costs to date of circa [E-5-21] and a further circa [E-5-21] of the Council paying the costs of the Insolvency Practitioner in winding up the JV LLP.

The capital cost of the settlement would have been incurred in the main as part of self-delivery of the sites. The continued revenue income delivered from

the long-term lease-hold sale to Halsey Garton Residential Ltd are projected to deliver an acceptable return on investment.

Meeting ended at: 10:18

Chairman

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