CABINET
HELD ON 24 APRIL 2019
(FROM 5.30 PM TO 5.36 PM)

PRESENT: Councillor Richard Cooper in the Chair. Councillors Rebecca Burnett, Mike Chambers, Phil Ireland, Stan Lumley, Andy Paraskos and Graham Swift.

Late Arrivals:  None

Early Departures:  None

130/18 – APOLOGIES FOR ABSENCE: There were no apologies for absence.

(5.30 pm)

131/18 – DECLARATIONS OF INTEREST: There were no declarations of interest.

(5.30 pm)

132/18 – MINUTES: The Minutes of the meeting of Cabinet held on 27 March 2019 were approved unanimously as a correct record and signed by the Chair.

(5.30 pm)

133/18 – EXEMPT INFORMATION: The report considered at Minute 134/18 and the appendices to the report considered at Minute 135/18 were considered to be exempt under paragraph 3 of Schedule 12a to the Local Government Act. Discussion on the items took place in open session.

(5.30 pm)

MATTER TO BE REFERRED TO COUNCIL FOR CONSIDERATION

134/18 – CHANGE TO BRACEWELL HOMES LTD BUSINESS PLAN: The Head of Housing and Property submitted a written report and requested changes to the business plan for Bracewell Homes Ltd. A copy of the updated business plan was attached at Appendix 1. Bracewell Homes had been established by Cabinet in January 2019 to undertake housing development activity and was wholly owned by Harrogate Borough Council.

At its first meeting in April 2019 the Board had discussed the business plan and in particular the opportunity for the purchase and resale of nine shared ownership homes in Dishforth. In addition the opportunity to acquire 10 shared ownership homes in Boroughbridge had been brought forward from 2020/21 to 2019/20, details of the properties and costs were attached at Appendix 2. It was therefore necessary for the Council to provide a loan to provide initial working capital and also for the business plan to be amended to reflect this.

A Shareholder Committee consisting of five elected members had been established to enable the Council to exercise its power as Shareholder. Whilst Cabinet had
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originally agreed that it would meet at least four times per year it was suggested that this be changed to at least twice a year as there would initially be little activity to report on.

RECOMMENDED (UNANIMOUSLY):

That (1) the revised Business Plan (Appendix 1) which supports the Company as a going concern be approved;

(2) the Council provide a loan of up to £1m to the company to provide initial working capital, in addition to equity of £1. Delegation be granted to the Head of Finance to agree temporary loans to the company of up to £1m to support cashflow. All amounts to be funded from the Council Investment Reserve; and

(3) the Shareholder Committee meeting frequency change from a minimum of four per year to a minimum of two per year.

(5.34 pm – 5.36 pm)