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| To: | Shareholder meeting – Housing Group |
| Date: | 17 December 2018 |
| Report of: | Company Secretary |
| Title of Report: | Proposed amendment to Shareholder’s Agreement |

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| Summary and recommendations | | |
| Purpose of report: | | To request that the Shareholder considers, and if appropriate agrees, the proposed amalgamation of the original Shareholder’s Agreement for Oxford City Housing Limited and its two subsidiaries Oxford City Housing (Investment) Ltd and Oxford City Housing (Development) Ltd (together “the Housing Group”) with a short Supplemental Agreement previously agreed by the Shareholder Group in December 2017. |
| Recommendation(s): That the Housing Group Shareholder resolves to: | | |
| 1. | Agree the amended Shareholder’s Agreement for the Housing Group as attached to this report as Appendix 1, so that the original provisions agreed in March 2017 can be amalgamated in one single document with the additional provision, agreed in December 2017, to facilitate inter-company loan transfers. | |

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| Appendices | |
| Appendix 1 | Amended Shareholder Agreement (Dec 2018) |

# Introduction and Proposal

1. At its meeting on 28 March 2017 the Shareholder Group agreed the terms of a Shareholder’s Agreement for the Housing Group of companies, to be made between the Council (as shareholder) and Oxford City Housing Limited. Since that date this Shareholder’s Agreement has remained in full force and effect.
2. On 20 December 2017 the Shareholder Group agreed a minor amendment to the Shareholder’s Agreement. This amendment was made to permit the transfer of loans between Housing Group companies without the need for express Shareholder consent on each occasion. This amendment was recorded in a short Supplemental Agreement.
3. To seek to avoid any unnecessary confusion, it is now recommended that rather than having to refer to two separate documents, the December 2017 amendment now be incorporated within the main Shareholder’s Agreement. As redrafted, the amendment to facilitate inter-group loans would now appear within Clause 20 of Schedule 1 Part A, which lists matters reserved for Shareholder consent. The amended clause 20 would read as follows:

The Company and any Group Company shall not, unless it has Shareholder Consent:

make any loan (otherwise than by way of deposit with a bank or other institution the normal business of which includes the acceptance of deposits) or grant any credit (other than in the normal course of trading) or give any guarantee (other than in the normal course of trading) or indemnity (other than in the normal course of trading), *save that the Shareholder shall be deemed to have granted to the Boards of the Group Companies continuous authority (until notified to the contrary) to permit any of the said companies to make and accept inter-group loans and inter-group transfers, where any such loans or transfers are made to facilitate any company activity which is consistent with the Group’s Business Plan;*

# Financial implications

1. There are no direct financial implications arising from this report.

# Legal issues

1. If agreed, the revised Shareholder’s Agreement, incorporating the above amendment, will be executed on behalf of both the Council and OCHL, and will form a single document setting out all relevant terms.

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