

Agenda

for a meeting of the

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Shareholder and Joint Venture Group for Oxford City Council Companies

Date: **Wednesday 24 April 2024**

Meeting starts at: **6.00 pm**

Place: **Council Chamber - Oxford Town Hall**

For any further information please contact the Committee Services Officer:

Lucy Brown, Committee and Member Services Officer

Telephone: 01865 25 2275

Email: democraticservices@oxford.gov.uk

This meeting will be held mostly or entirely in private session as the Group will be discussing commercially sensitive matters and information relating to the Council's companies.

Many of the reports are not available to the public as they contain commercially sensitive information relating to the Council's companies.



OXWED

Oxford West End Development Ltd

*Barton Oxford
LLP*

Shareholder and Joint Venture Group

Membership

Chair Councillor Susan Brown

Vice-Chairs Councillor Ed Turner

Members Councillor Chewe Munkonge Councillor Nigel Chapman
Councillor Linda Smith Councillor Anna Railton
Councillor Louise Upton

The quorum for this meeting is three members.

Advisers to the Group (the SJVG)

Lucy Brown	Law and Governance	Caroline Green	Chief Executive
Nigel Kennedy	s151 Officer / Head of Financial Services	Emma Jackman	Law and Governance
Celeste Reyeslao	Law and Governance		

Agenda items

Number	Agenda item	Approximate start times/ Pages
	<p>Public reports can be viewed individually from the SJVG meeting page on the council's website.</p> <p>Separate packs for each company, containing all the reports for that company, are sent to the SJVG members and their support officers and to those attending on behalf of that company.</p> <p>This agenda shows the approximate time when the SJVG will consider reports from each company.</p>	
1	Apologies for absence	
2	Declarations of interest	
3	Scrutiny comments and/or recommendations	
	<p>The Group is asked to consider any comments and/or recommendations from the Companies' Scrutiny Panel on matters not on the agenda.</p> <p>Representatives of the Companies' Scrutiny Panel may also comment on substantive items.</p>	
4	SJVG Confidentiality and private session	
	<p>If the SJVG wishes to exclude the press and the public from the meeting during consideration of any of the items on the exempt from publication part of the agenda, it will be necessary for the SJVG to pass a resolution in accordance with the provisions of Paragraph 4(2)(b) of the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2012 on the grounds that their presence could involve the likely disclosure of exempt information as described in specific paragraphs of Schedule 12A of the Local Government Act 1972.</p> <p>The SJVG may maintain the exemption if and so long as, in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.</p>	
Items relating to the Companies		
	<p>The agenda item text indicates which documents are available to the public and which are private.</p> <p>Public reports in this section are available on the website under each agenda to download individually but are not included in an agenda pack.</p>	
5	OxWED LLP [Private]	

Those who may attend for this company's item:

- Tom Bridgman, Director
- Jane Winfield, Director
- Carolyn Ploszynski, Director
- Kevin Minns, Managing Director, OxWED LLP
- Jonathan Solomon, JDS Real Estate

5a Stage 2 and 3 update to OCC Shareholder and Joint Venture Group

Report of: OxWED LLP

Purpose of report: To update the Shareholder and Joint Venture Group on Stages 2 and 3 of the project.

Recommendation: That the Shareholder and Joint Venture Group notes the contents of the report.

6 Commentary to the OXWED Report

13 - 14

Report of: The Head of Financial Services (Section 151 Officer)

Purpose of report: To provide the Shareholder and Joint Venture Group an initial estimated year end outturn position for 2023-24 for the Development Company of OX Place, OCH(Development) Ltd.

Recommendation: To note the contents of the report.

7 OX Place [Private]

Those who may attend for this company's item:

- Kerry Kyriacou – Non-Executive Director, Chair
- Rosemary Farrar – Non-Executive Director and Chair of Audit, Risk and Governance Committee
- Peter Matthew - Director
- Jane Winfield - Director
- Helen Horne – Managing Director
- Lindsay D Cane – Company Secretary
- David Watt – Strategic Finance Manager

7a 2023/24 OCH(D)L Estimated Year-End Outturn

Report of: Helen Horne, Managing Director and David Watt, Strategic Finance Partner

15 - 18

Purpose of report: This report aims to provide the SJVG with an initial estimated year-end outturn position, already reported to the OX Place

Board, for the group's development company OCH(D)L. It is this entity that provides the Shareholder dividends as estimated in the Council's Medium Term Financial Plan (MTFP).

Recommendation:

- Note the estimated OCH(D)L year-end outturn position as detailed in this report and appendix.
- Appreciate that many aspects of the close down process remain outstanding at the time of drafting this report and as such once these are eventually confirmed and the accounts are subject to external audit, some aspects may as a result change and alter the estimated outturn position as provided.

8 Minutes of the previous meeting [part private]

19 - 24

Recommendation: to approve the public and private minutes of the Shareholder and Joint Venture Group meeting on 1 November 2023 as a true and correct record.

Commercially sensitive information

The private/ restricted access parts of this agenda contain commercially sensitive information relating to the Council's companies and joint ventures. The handling of confidential information is an important element in the relationship of trust that exists between members, officers and the public.

A mishandling of such information or its accidental or deliberate disclosure will damage that trust as well as possibly lead to formal proceedings being taken against the Council, individual members or officers.

The duty not to disclose information provided to a member in confidence is governed by the General Obligations under the Members' Code of Conduct contained in the Council's constitution (Paragraph 22.7).

Councillors declaring interests

General duty

You must declare any disclosable pecuniary interests when the meeting reaches the item on the agenda headed "Declarations of Interest" or as soon as it becomes apparent to you.

What is a disclosable pecuniary interest?

Disclosable pecuniary interests relate to your* employment; sponsorship (ie payment for expenses incurred by you in carrying out your duties as a councillor or towards your election expenses); contracts; land in the Council's area; licenses for land in the Council's area; corporate tenancies; and securities. These declarations must be recorded in each councillor's Register of Interests which is publicly available on the Council's website.

Declaring an interest

Where any matter disclosed in your Register of Interests is being considered at a meeting, you must declare that you have an interest. You should also disclose the nature as well as the existence of the interest. If you have a disclosable pecuniary interest, after having declared it at the meeting you must not participate in discussion or voting on the item and must withdraw from the meeting whilst the matter is discussed.

Members' Code of Conduct and public perception

Even if you do not have a disclosable pecuniary interest in a matter, the Members' Code of Conduct says that a member "must serve only the public interest and must never improperly confer an advantage or disadvantage on any person including yourself" and that "you must not place yourself in situations where your honesty and integrity may be questioned". The matter of interests must be viewed within the context of the Code as a whole and regard should continue to be paid to the perception of the public.

Members Code – Other Registrable Interests

Where a matter arises at a meeting which directly relates to the financial interest or wellbeing** of one of your Other Registrable Interests*** then you must declare an interest. You must not participate in discussion or voting on the item and you must withdraw from the meeting whilst the matter is discussed.

Members Code – Non Registrable Interests

Where a matter arises at a meeting which ***directly relates*** to your financial interest or wellbeing (and does not fall under disclosable pecuniary interests), or the financial interest or wellbeing of a relative or close associate, you must declare the interest.

Where a matter arises at a meeting which affects your own financial interest or wellbeing, a financial interest or wellbeing of a relative or close associate or a financial interest or wellbeing of a body included under Other Registrable Interests, then you must declare the interest.

You must not take part in any discussion or vote on the matter and must not remain in the room, if you answer in the affirmative to this test:

“Where a matter affects the financial interest or well-being:

- a. to a greater extent than it affects the financial interests of the majority of inhabitants of the ward affected by the decision and;
- b. a reasonable member of the public knowing all the facts would believe that it would affect your view of the wider public interest You may speak on the matter only if members of the public are also allowed to speak at the meeting.”

Otherwise, you may stay in the room, take part in the discussion and vote.

*Disclosable pecuniary interests that must be declared are not only those of the member her or himself but also those member’s spouse, civil partner or person they are living with as husband or wife or as if they were civil partners.

** Wellbeing can be described as a condition of contentedness, healthiness and happiness; anything that could be said to affect a person’s quality of life, either positively or negatively, is likely to affect their wellbeing.

*** Other Registrable Interests: a) any unpaid directorships b) any Body of which you are a member or are in a position of general control or management and to which you are nominated or appointed by your authority c) any Body (i) exercising functions of a public nature (ii) directed to charitable purposes or (iii) one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union) of which you are a member or in a position of general control or management.

Shareholder and Joint Venture Group

Information about Oxford City Council companies

Information about each company is also available on the [Companies House](#) website.



1. Oxford Direct Services (ODS)

ODS is the wholly owned trading arm of the Council. It is structured as two companies that work together to deliver cost-effective public and commercial services include building, waste & recycling, streetscene, parks & open spaces, highways & engineering, motor transport and pest control.

Companies:

- (i) **Oxford Direct Services Limited (ODSL)** (Company no.10719222)
a “Teckal” company* which provides services directly to the Council; and
- (ii) **Oxford Direct Services Trading Limited (ODSTL)** Company no.10719214
is a trading company which trades and competes for business in the wider city economy:

Oxford City Council is the sole shareholder in both companies and both are controlled by the same Board of Directors.

*see para 5 for the definition of “Teckal”



2. The Housing Group Oxford

Oxford City Housing Limited (OCHL) is the Council's wholly owned housing company which aims to increase housing supply in Oxford. OCHL has two wholly-owned subsidiaries and the three companies are known collectively as “The Housing Group”

The Housing Group benefits from “Teckal” status

Oxford City Housing Limited – OCHL (Company no.10212716)

This is the parent or holding company for the two subsidiaries (listed below) which were established for the purposes of:

- (i) Buying and selling of own real estate and
- (ii) Letting and operation of own or leased real estate
- (iii) Development of housing projects

Oxford City Housing (Investment) Limited – OCH(I)L (Company no.10370637)

The purposes include:

- (i) Buying and selling of own real estate and
- (ii) Letting and operation of own or leased real estate

The company primarily procures the social rented housing being delivered at the major new mixed-tenure development at Barton Park, required of housebuilders as part of the Section 106 Agreement entered into by Barton Park LLP (the joint venture between the City Council and Grosvenor Estates). This arrangement is planned to continue for both current and future phases and is anticipated to provide in total 354 social rented homes over a number of years. The homes are let and managed by the Council but ownership remains with the company. The rental stream services the loans taken out by the company from the Council's General Fund. Future activity would also potentially include forms of ownership of market rented housing.

Oxford City Housing (Development) Limited – OCH(D)L (Company no.10370647)

The purpose is:

- (i) Development of housing projects

The company delivers mixed tenure housing developments which include the sale of affordable housing units to the Council. For each development scheme there is usually:

- Open market housing for sale
- a 50% affordable housing requirement (subject to scheme viability) in the negotiated S106 agreement and
- 'additionality' where the Council secures grant/subsidy to support the purchase of some or all of the open market housing on each scheme, to 'flip the tenure' to achieve additional affordable housing, where this represents value for money.



3. Oxford West End Development LLP (OXWED) (Company no.09957392)

OXWED is a joint venture development partnership company with Nuffield College created to enable the delivery of a major new mixed used development on the Oxpens site, a key site to the west of Oxford City Centre.

The Council and Nuffield College each have a 50% holding in OXWED and each can appoint three directors to the OXWED Board which takes some strategic and all operational decisions.

OXWED has different shareholder arrangements from the other Council Companies because most shareholder decisions must only be taken by jointly by the shareholders (the Council and Nuffield College).

4. Barton Oxford Limited Liability Partnership (LLP) (Company no.OC368330)

Barton Oxford LLP is a joint venture development partnership of the Council and Grosvenor Developments Ltd created to enable the delivery of the major new development now known as Barton Park.

The structure and governance of an LLP is different from that of a Limited Company.

5. Definitions

Teckal status: The Housing Group and ODS benefit from “Teckal” status allowing them to trade (contract for works, services or supply) with the Council and other “Teckal” companies wholly within the ownership of the Council, without having to go through a competitive tender process.

A “Teckal” company benefits from contracts for works, services or supply from its controlling Contracting Authority (the Council) without having to go through a competitive tender process and must meet these tests among others:

- the Council must exercise a control which is similar to that which it exercises over its own departments – this means it/they must exercise a decisive influence over both strategic objectives and significant decisions of the controlled company either itself or through another subsidiary; and
- more than 80% of the activities of the company must be carried out in the performance of tasks entrusted to it by the Council.

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Agenda Item 6

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**Open minutes of a meeting of the
Shareholder and Joint Venture Group
for Oxford City Council Companies
on Wednesday 1 November 2023**

www.oxford.gov.uk



SJVG members:

Councillor Brown (Chair)	Councillor Turner (Vice-Chair)
Councillor Munkonge	Councillor Chapman
Councillor Linda Smith	Councillor Railton

Officers representing the Council and/or supporting the Shareholder:

Caroline Green, Chief Executive
Nigel Kennedy, Head of Financial Services
Emma Griffiths, Team Lead Lawyer
Lucy Brown, Committee and Member Services Officer

Company Directors and support staff present for all or part of the meeting (see individual minutes for details):

Jane Winfield, Director, OX Place, Barton Oxford LLP, and OXWED LLP
Carolyn Ploszynski, Director, BOLLP & OXWED LLP
Kerry Kyriacou, Non Executive Director, OX Place
Helen Horne, Managing Director, OX Place
Sarah Knight, Head of Development, OX Place and BOLLP
David Watt, Strategic Finance Manager, OX Place
Lindsay Cane, Company Secretary, OX Place
Tom Bridgman, Director, OxWED LLP
Kevin Minns, Managing Director, OXWED LLP
Jonathan Soloman, JD Real Estate
Peter Matthew, Director, OX Place

Guests present (members of the Companies Scrutiny Panel)

Councillor Mike Rowley, Companies Scrutiny Panel
Councillor Alistair Morris, Companies Scrutiny Panel
Councillor Katherine Miles, Companies Scrutiny Panel

Apologies:

Councillor(s) Rehman sent apologies.

Minutes

51. Declarations of interest

There were no declarations of interest.

52. Scrutiny comments and/or recommendations

There were no recommendations from the Companies Scrutiny Panel tabled under this agenda item, but members of the Companies Scrutiny Panel contributed to the discussion on all agenda items as minuted.

53. Barton Oxford LLP [public]

The following Barton LLP representatives were present for this item:

- Sarah Knight, Head of Development (Housing Services)
- Jane Winfield, Director

a) Quarterly Progress Report relating to Barton Oxford LLP

The Shareholder and Joint Venture Group considered a report which provided an update into the activities of Barton Oxford LLP (BOLLP) over the last quarter. Sarah Knight, Head of Development (Housing Services) introduced the report and highlighted that the Group were asked to agree the recommendation of the appointment of Deloitte for 2024 following the advice from the Grosvenor Finance Team, which would be a change from Mazars, based on achieving value for money and a good service.

In response to questions from the Group regarding Barton 3B, it was noted that the prospective buyer had fallen away due to delays caused by the regularisation of the planning position at the site. Sarah Knight emphasised that the advice received to the LLP was that although there was a low risk of the 'physical impossibility' occurring, there was a high risk of the impact of such if it did occur. A solution was being sought with the planning department and would be reported back at the next meeting.

The Shareholder and Joint Venture Group **resolved** to:

1. **Approve** the appointment of Deloitte as the external auditors as detailed in paragraph 5.
2. **Note** the contents of the report.

54. SJVG Confidentiality and private session

The Shareholder and Joint Venture Group passed a resolution in accordance with the provisions of Paragraph 4(2)(b) of the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2012 to exclude the press and members of the public on the grounds that Oxford City Council, Town Hall, St Aldate's, Oxford OX1 1BX, their presence could involve the likely disclosure of exempt information as described in specific paragraphs of Schedule 12A of the Local Government Act 1972.

55. Commentary to the OX Place Business Plan Refresh October 2023

The Shareholder and Joint Venture Group (SJVG) received a report from the Head of Financial Services which provided an overview of the implications to Oxford City Council, to be considered alongside the report on the agenda regarding the 40 year business plan for the Group of Companies within OX Place.

The SJVG discussed the report in private session.

The SJVG noted the contents of the report.

56. OX Place [private]

The following OX Place representatives were present for this item:

- Helen Horne, Managing Director, OX Place
- Kerry Kyriacou, Non-Executive Director and Chair of OX Place
- Rosemary Farrar, Non-Executive Director and Chair of the Audit and Risk Governance Group
- Sarah Knight, Head of Development (Housing Services)
- David Watt, Finance Business Partner, OX Place
- Lindsay Cane, Company Secretary, OX Place
- Jane Winfield, Director

a) Introduction from the Chair

The Shareholder and Joint Venture Group received a verbal update from Kerry Kyriacou, Non-Executive Director and Chair of OX Place, which set out the format and content of the following reports to be discussed in a private session.

Lindsay Cane joined the meeting.

b) Audit Risk and Governance Summary

The Shareholder and Joint Venture Group (SJVG) received a report from Rosemary Farrar, Non-Executive Director and Chair of the Audit Risk and Governance Committee (ARG) which provided a revised format for the Strategic Risk Register that had been

adopted and the rescored Strategic Risk Register as approved by the ARG on 24 July 2024.

Rosemary Farrar and Helen Horne, Managing Director of OX Place, answered questions from those members of the SJVG and Companies Scrutiny Panel present at the meeting in private session.

The Shareholder and Joint Venture Group **resolved** to consider and comment on the Strategic Risk Register as presented by the ARG Committee.

Cllr Linda Smith joined the meeting.

c) 2022/23 Statement of Accounts and Dividend Declaration

The Shareholder and Joint Venture Group (SJVG) considered a report which advised that OCHL's external auditors, Mazars, had completed the audit and presented the 2022/23 OCHL group and individual company accounts, and their associated audit opinion, to the ARG Committee at its meeting on 26 September 2023.

Helen Horne, Managing Director, OX Place and David Watt, Finance Business Partner, answered questions from those members of the SJVG and Companies Scrutiny Panel present at the meeting in private session.

The Shareholder and Joint Venture Group **resolved** to note:

1. The signing off and continued unqualified audit opinion of the OCHL group and individual company statement of accounts for 2022/23.
2. Note the decision by the OX Place Board, at its meeting on the 18 October 2023, to pay the company's shareholder, OCC, £2m in dividends, in line with the Council's MTFP.

The Group agreed to take the next agenda items in the following order:

- *7f MD Report*
- *7e Business Plan Refresh – October 2023*
- *7d For-Profit Registered Provider*

d) MD Report

The Shareholder and Joint Venture Group (SJVG) received a report from Helen Horne, Managing Director, OX Place, which updated the Shareholder on the day-to-day actions and progress since the previous OX Place SJVG meeting, and answered questions from those members of the SJVG and Companies Scrutiny Panel present at the meeting in private session.

The Shareholder and Joint Venture Group **resolved** to note the contents of the report.

e) Business Plan Refresh - October 2023

The Shareholder and Joint Venture Group (SJVG) considered a report from Helen Horne, Managing Director and David Watt, Finance Business Partner, which provided information to assist the Council in its upcoming 2024/25 budget exercise. OX Place

had undertaken a review of its individual company Business Plans, taking on board changes in economic assumptions (inflation and borrowing projections, etc), amendments to the existing development and acquisition programme and taking on board issues facing the Council's Housing Revenue Account (HRA).

Helen Horne and David Watt answered questions from the SJVG and Companies Scrutiny Panel present at the meeting in a private session.

The Shareholder and Joint Venture Group **resolved** to:

1. Note the contents of this report and its appendices and provide feedback and commentary on the outcomes and implications as detailed.

f) For-Profit Registered Provider

The Shareholder and Joint Venture Group (SJVG) considered a report from Helen Horne, Managing Director of OX Place, which updated on the rationale and progress in the work to evaluation the viability of a For-Profit Registered Provider.

Helen Horne answered questions from those members of the SJVG and Companies Scrutiny Panel present at the meeting in a private session.

The Shareholder and Joint Venture Group **resolved** to:

1. Note the contents of the report and its appendix and provide feedback and commentary on the outcomes and implications as detailed.

57. OxWED LLP [private]

The following representatives were present for this item:

- Tom Bridgman, Director of Development, Director
- Kevin Minns, Managing Director, OXWED LLP
- Jonathan Solomon, JDS Real Estate
- Jane Winfield, Director
- Carolyn Ploszynski, Director

a) Stage 2 and 3 update to the OCC Shareholder and Joint Venture Group - 1 November 2023

The Shareholder and Joint Venture Group (SJVG) considered a report which provided an update into the activities of OXWED LLP.

The SJVG discussed the report in private session.

The Shareholder and Joint Venture Group **resolved** to note the contents of the report and approve the recommendations as set out in Paragraph 7.3 of the report.

Cllr Ed Turner left the meeting and did not return.

Kevin Minns, Jonathan Soloman and Carolyn Ploszynski left the meeting and did not return.

58. Commentary on report to OXWED Shareholders and Joint Venture Group Report

The Shareholder and Joint Venture Group (SJVG) received a report from the Head of Financial Services which provided an overview of the implications to the City Council to be considered alongside the report on the agenda.

The SJVG discussed the report in private session.

The Shareholder and Joint Venture Group noted the contents of the report.

59. Minutes of the previous meeting [part private]

The Shareholder and Joint Venture Group received the public and private minutes of the meetings held on 21 June 2023 and 27 July 2023, and **approved** these as a true and accurate record.

The meeting started at 6.05 pm and ended at 8.15 pm

Chair:

Date:

Note: the next meeting is on Thursday 7 December 2023

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