

Decision type: Decision Specifically Delegated to Officers / Single Member Decision

Decision date: 27th March 2025

Decision maker: Nigel Kennedy, Group Finance Director

Decision title: Oxwed Funding Arrangements

Summary

Decision being taken:	To agree a follow-on loan agreement for existing and future loans to Oxwed LLP
Key decision:	Yes
Source of delegation:	Item 126 Cabinet Minutes of 5 February 2025 Committee Minutes
Cabinet Member:	Councillor Ed Turner, Deputy Leader (Statutory) - Finance and Asset Management
Corporate Priority:	Well Run Council
Policy Framework:	None

The Group Finance Director decides as follows:

- To agree** a follow-on loan agreement for existing and future loans to Oxwed LLP

Introduction and background

- Oxwed LLP is a partnership between Oxford City Council and Nuffield College Developments 1 Limited.
- The partnership's purpose is to facilitate the development of land held by the partnership in the Oxpens area of the City.
- There is an existing loan agreement in place which terminates on 31st March 2025. It is therefore necessary to agree a new loan agreement in order to allow Oxwed LLP to continue with the development proposals.

4. The background to and key terms of the agreement were agreed by Cabinet on 5 February 2025. This decision is therefore to agree to a loan agreement in accordance with those terms.
5. This decision does not result in any additional financial commitment beyond that already agreed by Cabinet and Council in providing loans to Oxwed LLP. Any additional loans beyond those already agreed would only be provided in line with separate Cabinet and Council approval.

Reasons for the decision

6. The existing loan agreement ends on 31st March 2025 and a replacement loan agreement is required.

Alternative Options Considered

7. Since the Oxwed LLP still requires loans to progress the development, the only other option would be to require the LLP to seek loans from elsewhere. This is not considered appropriate because this would result in interest being paid to parties other than the Partners, thus resulting in a lower overall return to the Council. Additionally if a third party lender were to be involved this would dilute the control that the partners of the LLP currently have over shaping the development.

Equalities Impact

8. This decision relates solely to the agreement to a loan agreement and therefore has no equality impacts.

Risks

9. Risks relating to this report are risks facing the development itself which may impact on the returns obtained from the development. The agreement terms allow for the loans and interest arising therefrom to be secured on the land held by the LLP. The land value is higher than the value of current and anticipated loans and interest debt and therefore risk of development failure is mitigated.

Implications of making the decision

Financial implications	There are no additional financial implications to the Council of making this agreement beyond those already reported to and agreed by Cabinet and Council. Any funds additional to those already approved will need separate Cabinet and Council approval.	Completed by: Bill Lewis, Financial Accounting Manager Date: 18 th February 2025
Legal implications	It is proposed that the existing debt, both principal and interest accrued to date, would be included within the replacement loan agreement. Overall the terms proposed are intended to	Completed by: Emma Griffiths Legal Services Manager Date:


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	stay the same with the exception of the interest rate and the expiry of the agreement. IN ADDITION TO HoL&G CONSULTATION	27 March 2025
Other implications	No other implications	Completed by: Bill Lewis Date: 27 March 2025
Member declared interests	No declared interests.	Completed by: Bill Lewis Date: 27 March 2025


Background Documents
None

Report author	Bill Lewis
Job title	Financial Accounting Manager
Service area or department	Financial Services
Email contact	blewis@oxford.gov.uk

Consultee checklist

Consultees	Name and job title	Date
Senior officer e.g. the relevant service manager / Head of Service where the decision maker is the Chief Executive or an Executive Director.	n/a	
Group Finance Director Where required by the Constitution or conditions		27.03.25

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of the delegation	Nigel Kennedy Group Finance Director/Section 151 Officer	
Director of Law, Governance and Strategy Where required by the Constitution or conditions of the delegation	 Emma Griffiths, Legal Services Manager for and on behalf of the Director of Law, Governance & Strategy	27 March 2025
Cabinet Member(s) Where required by the conditions of the delegation	N/A	
Ward Members Where required by the Constitution or conditions of the delegation	N/A	

Decision Maker Approval

<i>Name and job title</i>	<i>Date</i>
Nigel Kennedy, Group Finance Director (Section 151 Officer)	27.03.2025

This form must be completed and sent to Committee and Member Services **on the date that the decision maker signs it. This must be only done once all consultees have given their approval. The decision shall be effective from the date of publication; therefore, it is important that you send to Committee and Member Services as soon as it is completed and dated by the decision maker. Please note that it is not effective until it is published and the call in period has passed.**

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NOTES

The law¹ requires the Council to record executive and non-executive decisions taken by officers under delegated powers and to publish them on the Council's website.

These requirements apply to decisions that would have been taken by Council or the Cabinet if delegated powers had not been given to an officer:

- under an express delegation granted at a meeting of Cabinet, Council or a Committee.
- in accordance with Part 4.4 of the Constitution as follows:
 - Awarding a contract where authority has been specifically delegated to officers by Cabinet or a Cabinet Member (regardless of value)
 - Acquiring or disposing of freeholds or leaseholds granting new leaseholds (excluding assignments and rent reviews) where authority has been specifically delegated to officers by Cabinet or a Cabinet Member (regardless of value)
 - Making a regulatory order which affects a number of people, for example a Public Space Protection Order or a Parking Place Order
 - Where the effect of a decision is to grant a licence or permission or it affects the rights of citizens
 - Discharging any other express delegation from Cabinet or a Cabinet Member a committee or Council.

These requirements **do not** apply to:

- planning and licencing matters where there are established arrangements for recording decisions: or
- decisions which are purely administrative or operational in nature

All other officer decisions should be recorded on an officer decision form but do not need to be published. They must though be stored so as to ensure that they are not lost should an officer leave the authority.

Exempt or Confidential information

Information relating to a delegated officer or single member decision does not have to be made public if it is exempt or confidential. Summary information from this decision

¹ the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012/2089 (Regulation 13(4)) and The Openness of Local Government Bodies Regulations 2014/2095 (Regulation 7)

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sheet (excluding all exempt or confidential information) will be published on the Council's website.

Key or Non Key Decision

A key decision is an executive decision which is likely to:

- Have a significant effect on people living or working in a least two wards or
- Involve spending, income, or saving a significant amount – whether an amount is significant depends on the Council's total budget for the service involved. For this Council 'significant' in budgetary terms is:
 - Expenditure, income, or savings of £750,000 or greater in the context of the medium term financial strategy,
 - Acquiring or disposing of freeholds with a consideration over £500,000 in the context of the medium term financial strategy except for disposals pursuant to right to buy legislation
 - Acquiring or disposing of leaseholds where either the rental value is in excess of £250,000 per annum and/or the premium is £750,000 except for statutory lease renewals under Part 2 of the Landlord and Tenant Act 1954 and disposals pursuant to right to buy legislation and disposals pursuant to right to buy legislation.
 - Acquiring or disposing of easements with a value over £750,000 and/or rental value over £250,000 each year

A key decision can only be taken and recorded here if notice of it has been published on the Forward Plan for at least 28 clear days. Key decisions taken by officers may be "called in" by any four councillors or the Chair of the Scrutiny Committee within two days of the notice of decision being published.

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