

HOUSING AND COMMUNITIES COMMITTEE	AGENDA ITEM No: 2.1
27 APRIL 2020	PUBLIC REPORT

CONSENT TO THE ADOPTION OF A REVISED BUSINESS PLAN FOR ANGLE DEVELOPMENTS (EAST) LIMITED.

1.0 PURPOSE

- 1.1. At its meeting on 27 March 2019 the Combined Authority Board approved the business plan for the Housing Development Company (now Angle Developments (East) Limited). The business plan has now been considered at the meetings of the Boards of Directors of Angle Developments (East) Limited and Angle Holdings Limited and a revised business plan has been approved. Under the Shareholder Agreement approved by the Combined Authority Board at its meeting on 31 July 2019 the adoption or amendment of a business plan requires the consent of the Combined Authority. The report invites the Committee to recommend that the Combined Authority Board give its consent to the adoption of the revised business plan.

<u>DECISION REQUIRED</u>	
Lead Member:	Councillor Chris Boden
Lead Officer:	Nick Sweeney – Development Manager
Forward Plan Ref: N/A	Key Decision: No
<p>The Housing and Communities Committee is invited to recommend to the Combined Authority Board that:</p> <p>(a) Consent be given to the adoption of the revised business plan for Angle Development (East) Limited at Appendix 3.</p>	<p>Voting arrangements</p> <p>Simple majority of all Members</p>

2.0 BACKGROUND

- 2.1. On 27 March 2019 the Board of the Combined Authority approved a business plan for the Housing Development Company (DevCo). A copy of the approved business plan can be found at Appendix 1.
- 2.2. The DevCo was incorporated as Angle Developments (East) Limited on 6 September 2019 and an independent Chair has been appointed.
- 2.3. On 27 March 2019 the Combined Authority Board agreed to fund a loan of £600,000 to the Combined Authority Trading Company and the DevCo for an initial period of two years. A copy of the report that was approved by the Combined Authority's Board can be found at Appendix 2.
- 2.4. The Board of Angle Developments (East) Limited met on 18th March 2020 to consider the company's position going forward. The company's Board approved the revised business plan that adopts clear strategic objectives and reduces risk over an initial 12-month period.
- 2.5. These revised objectives include seeking joint venture opportunities, identifying development opportunities from constituent Council owned assets, identifying a pipeline of future development projects, and establishing the Company.
- 2.6. The Board of Angle Holdings Limited met on 18 March 2020 and considered the revised business plan for Angle Holdings (East) Limited and approved it with minor amendments. The revised business plan as amended forms Appendix 3 to this report. The Shareholder Agreement approved by the Combined Authority Board at its meeting on 31 July 2019 requires subsidiaries such as Angle Developments (East) Limited to submit their first business plans to Angle Holdings Limited for approval.
- 2.7. Under the Shareholder Agreement the adoption or amendment of a business plan requires the consent of the Combined Authority.

3.0 FINANCIAL IMPLICATIONS

- 3.1. There are no further financial implications than those identified when the previous DevCo Business Plan was approved in March 2019.

4.0 LEGAL IMPLICATIONS

- 4.1. The legal implications are set out in the body of the report.

5.0 CONTRACT PROCEDURE RULES IMPLICATIONS

- 5.1. There are no further contract procedure implications.

6.0 RISK IMPLICATIONS

- 6.1. Initial objectives set out in the revised business plan expose Angle Developments (East) Limited to less risk than objectives set out in the business plan approved by the Combined Authority Board in March 2019.

7.0 OTHER SIGNIFICANT IMPLICATIONS

- 7.1. The revised business plan accommodates the flexibility for Angle Developments (East) Limited to assist and offer support as the development industry recovers from inactivity and market slowdown caused by the Coronavirus pandemic.

8.0 APPENDICES

- 8.1. Appendix 1: DevCo Business Plan of March 2019.
- 8.2. Appendix 2: Report to Combined Authority Board of 27 March 2019.
- 8.3. Appendix 3: Angle Developments (East) Limited Business Plan March 2020.