

Contact Officer: Andrea Woodside

KIRKLEES COUNCIL

CABINET

Monday 27th March 2017

Present: Councillor David Sheard (Chair)
Councillor Shabir Pandor
Councillor Peter McBride
Councillor Naheed Mather
Councillor Musarrat Khan
Councillor Erin Hill
Councillor Viv Kendrick
Councillor Graham Turner

Apologies: Councillor Masood Ahmed

In attendance:

Observers:

204 Membership of the Committee

Apologies for absence were received from Councillor Masood Ahmed.

205 Interests

Councillor Peter McBride declared an other interest in respect of agenda items 7 and 9 regarding Kirklees Stadium Development Ltd, request to vary existing Council financial security arrangements, due to him being a board member of Kirklees Stadium Development Ltd, and left the meeting during consideration of the items.

Paul Kemp advised Cabinet that he was the company secretary of Kirklees Stadium Development Ltd.

206 Admission of the Public

Agreed that agenda item 9 – private information relating to the Kirklees Stadium Development Ltd request to vary existing Council financial security arrangements be taken in private due to the report containing confidential information.

207 Deputations/Petitions

No deputations or petitions were received.

208 Public Question Time

No questions were asked at the meeting.

209 Member Question Time

No member questions were asked at the meeting.

210 Kirklees Stadium Development Ltd (KSDL) request to vary existing Council financial security arrangements

Cabinet considered a report setting out a request from Kirklees Stadium Development Ltd to give a second charge, ranking behind the Council's existing charge, on land at the John Smith's Stadium. The report indicated that the request was due to the security requirements with a third party lender who was proposing to advance loan finance to a subsidiary of Kirklees Stadium Development Ltd, to allow the purchase of a site near the stadium.

The report set out information on the reasons why proceeding with the purchase would be beneficial to the early delivery of the HD One scheme, which will create a regional leisure destination on land at the stadium site.

The considered report provided information on the existing charge the Council had in relation to the costs associated with the development of the stadium complex and advised on the current exposure on the loan which was anticipated to have been repaid in full by early 2021.

Cabinet were provided with information at the meeting on a request that the Council limit the amount of the Council's first charge on the stadium site on terms outlined in the considered report, which would require the Council entering into a deed of priority.

RESOLVED –

- 1) That approval be given to the request from Kirklees Stadium Development Ltd to give a second charge on the John Smith's Stadium site, Huddersfield and to release its charge on the shareholding on its subsidiary company to allow the purchase of the Gas Works Street, Huddersfield site to be secured by the relevant subsidiary company of Kirklees Stadium Development Ltd.
- 2) That the entering into a deed of priority limiting the amount of the Council's first charge on the stadium site be approved in accordance with the terms set out in the considered report.
- 3) That delegated authority be granted to the Assistant Director, Legal and Governance to enter into and execute all necessary legal documentation required to give effect to decisions 1 and 2 above.

(the Chair of the Overview and Scrutiny Management Committee had been advised of the entry to the forward plan of key decisions in relation to this matter and the need to make an urgent entry in relation to a private report being considered by Cabinet outside the 28 day notice period and had

agreed to the late entry being made and the consideration of the report by Cabinet. The Chair of the Overview and Scrutiny Management Committee had also agreed to waive the call in, due to the need to take urgent action on the matter under consideration, to ensure the offer of the sale of the Gas Works site was not withdrawn, and accordingly, the decision would be implemented immediately).

211 Exclusion of the Public

RESOVED -

That under section 100 A4 of the Local Government Act 1972 the public be excluded from the meeting due to the consideration of the following item of business, on the grounds that it involves the likely disclosure of exempt information, as defined in part 1 of schedule 12a of the Act.

212 A Private Report in Relation to Item 210 Above.

Kirklees Stadium Development Ltd – request to vary financial security arrangements relating to the John Smith’s Stadium site, Huddersfield.

(Exempt information relating to the financial or business affairs of any particular person. It is considered that it would not be in the public interest to disclose the information contained in the report as disclosure could potentially adversely affect the overall value for money and could compromise the commercial confidentiality of the bidding organisations and may disclose the contractual terms, which is considered to outweigh the public interest in disclosing information).

Cabinet considered confidential information relating to the proposal to vary financial security arrangements in relation to the John Smith’s Stadium site, Huddersfield in relation to taking a decision on minute number 210.

RESOLVED -

That information contained within the confidential schedule be noted.