

Officer Executive Decisions

Joint Venture with Norse Property Services – Establishment of a Housing Company

Delegation from Leader and Cabinet and date

On 10 April 2018, the Cabinet considered a report which provided details of a proposal to establish a housing company jointly with Norse Property Services (NPS). This housing company would develop property within Medway. For ease of reference, the table below sets out all decisions made by the Cabinet related to this matter.

<i>Decision number:</i>	<i>Decision:</i>
60/2018	The Cabinet approved the setting up of a joint venture company (option 4) based on the proposal set out in the exempt appendix.
61/2018	The Cabinet agreed the company will be called Medway Growth.
62/2018	The Cabinet agreed to exercise the role of shareholder.
63/2018	The Cabinet agreed to delegate authority to the Chief Legal Officer in consultation with the Leader to agree the Memorandum of Association and the Articles of Association.
64/2018	The Cabinet noted the amounts required to be provided for in the Capital Programme and recommended to Full Council to approve the addition to the capital programme of £1.352 million, to be funded from borrowing, in order to make a loan to the joint venture company at the prevailing market interest rate.
65/2018	The Cabinet agreed to delegate authority to the Chief Finance Officer in consultation with the Leader to release funding to the Company for each agreed scheme in the Company's Business Plan subject to financial due diligence (as set out in Chapter 3, Part 4 (Employee Delegation Scheme) of the Council's Constitution).
66/2018	The Cabinet agreed to delegate authority to the Chief Legal Officer in consultation with the Leader to identify, declare surplus and dispose of assets at commercial rates to the company in line with its Business Plan (as set out in Chapter 3, Part 4 (Employee Delegation Scheme) of the Council's Constitution).
67/2018	The Cabinet agreed to delegate authority to the Chief Legal Officer in consultation with the Leader to execute the final legal agreements, contracts and all other ancillary documentation that may be needed prior to the setting up of a company setting out the arrangements between the Council and the Company.
68/2018	The Cabinet agreed to delegate authority to the Chief Executive to make the necessary appointments to the Executive Board of Directors, as set out in paragraph 4.3 of the report, in consultation with the Leader.

[The Cabinet report may be viewed on the Council's website.](#)

Decision

The Joint Venture with Norse Property Services was not pursued.

Reasons for Decision

Cabinet was not confident that the project would be profitable given the shift in viability that had occurred from the original presentation it had received from Norse Property Services and the most recent update.

Date of Decision

May 2019

Lead Officer

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Details of any other options considered and rejected

Given the progress that was being made on Medway Development Company projects elsewhere in the Borough it was decided not to bring this site forward at this stage.

Conflicts of Interest

None