

# EXECUTIVE DECISION

made by a Cabinet Member



## REPORT OF ACTION TAKEN UNDER DELEGATED AUTHORITY BY AN INDIVIDUAL CABINET MEMBER


Executive Decision Reference Number – L28 23/24

Decision	
1	<b>Title of decision:</b> Support to Millfields Community Economic Development Trust - loan guarantee extension
2	<b>Decision maker:</b> Councillor Tudor Evans OBE, The Leader of the Council
3	<b>Report author and contact details:</b> Anna Peachey, Economy, Partnerships and Regeneration Manager, <a href="mailto:anna.peachey@plymouth.gov.uk">anna.peachey@plymouth.gov.uk</a> : 01752 307840
4	<b>Decision to be taken:</b> Extend a loan Guarantee from 31 October 2023 to 31 March 2024 (inclusive) between Plymouth City Council, Heart of SW LEP and Millfields CED Trust to enable timely completion of this work.
5	<b>Reasons for the decision:</b> This is an update to Cabinet Decision ‘Urban Enterprise’: New Enterprise Units at Millfields Trust” Passed on 13 March 2013. It will extend Plymouth City Council’s agreement to act as a guarantor to a loan. The extension is from 1 November 2023 to 31 March 2024. As one of Plymouth City Council’s strategic Community Economic Development Trusts, Millfields Trust receives support from the Council to improve economic participation and benefit their community. The Council acted as guarantor for a £2.1m loan from the Heart of SW LEP for developing the Genesis Building in 2013. That loan was made on condition of refinancing after 10 years, and the balance was due to be repaid by 31 October 2023. Enabling mechanisms by the City Council and Heart of SW LEP for refinancing with a commercial loan has resulted in an extension to the repayment period being granted on condition that the City Council continues to act as Guarantor. Repayment is now due by 31 March 2024.
6	<b>Alternative options considered and rejected:</b> The alternative to extending the loan Guarantee is not to extend it. There are no benefits to the Council, the Trust, or the Heart of SW LEP for not extending the loan.
7	<b>Financial implications and risks:</b> As a loan Guarantor, there is an increased risk that the Council would be required to finance the payment of the loan balance to the Heart of SW LEP. The Trust has partly repaid the loan over 10 years, so the value of the financial liability to the City Council is less than the original £2.1m that was agreed by Cabinet in 2013.

8	<b>Is the decision a Key Decision?</b> <b>(Please contact <a href="#">Democratic Support</a> for further advice)</b> Please type an X into the relevant boxes	Yes	No	<b>Per the Constitution, a key decision is one which:</b>
			X	in the case of <b>capital</b> projects and contract awards, results in a new commitment to spend and/or save more than <b>£3million</b> in total
			X	in the case of <b>revenue</b> projects when the decision involves entering into new commitments and/or making new savings in excess of <b>£1 million</b>
		X	is <b>significant</b> in terms of its effect on communities living or working in an area comprising <b>two or more</b> wards in the area of the local authority.	
	<b>If yes, date of publication of the notice in the <a href="#">Forward Plan of Key Decisions</a></b>			
9	<b>Please specify how this decision is linked to the Council's corporate plan/Plymouth Plan and/or the policy framework and/or the revenue/capital budget:</b>	Unlocking the city's potential - has a vibrant economy offering quality jobs and skills; Delivering on our commitments by: - Enabling our people to deliver - Engaging with and listening to our residents, businesses, and communities		
10	<b>Please specify any direct environmental implications of the decision (carbon impact)</b>	Not applicable		
<b>Urgent decisions</b>				
11	<b>Is the decision urgent and to be implemented immediately in the interests of the Council or the public?</b> Please type an X into the relevant box	Yes		(If yes, please contact Democratic Support ( <a href="mailto:democraticsupport@plymouth.gov.uk">democraticsupport@plymouth.gov.uk</a> ) for advice)
		No	X	<b>(If no, go to section 13a)</b>
12a	<b>Reason for urgency:</b>			
12b	<b>Scrutiny Chair Signature:</b>		<b>Date</b>	

<b>Scrutiny Committee name:</b>				
<b>Print Name:</b>				
<b>Consultation</b>				
<b>I3a</b>	<b>Are any other Cabinet members' portfolios affected by the decision?</b>  Please type an X into the relevant box	<b>Yes</b>	X	
		<b>No</b>		<b>(If no go to section I4)</b>
<b>I3b</b>	<b>Which other Cabinet member's portfolio is affected by the decision?</b>	Councillor Chris Penberthy, Cabinet Member for Housing, Cooperative Development and Communities.		
<b>I3c</b>	<b>Date Cabinet member consulted</b>	8 September 2023		
<b>I4</b>	<b>Has any Cabinet member declared a conflict of interest in relation to the decision?</b>  Please type an X into the relevant box	<b>Yes</b>	X	This was discussed with the Monitoring Officer. Councillor Penberthy is aware of the work but has declared a conflict of Interest as a Trust Board member and was not briefed further.
		<b>No</b>		
<b>I5</b>	<b>Which Corporate Management Team member has been consulted?</b>	<b>Name</b>	Anthony Payne	
		<b>Job title</b>	Strategic Director for Place	
		<b>Date consulted</b>	1 September 2023	
<b>Sign-off</b>				
<b>I6</b>	<b>Sign off codes from the relevant departments consulted:</b>	<b>Democratic Support (mandatory)</b>	DS60 23/24	
		<b>Finance (mandatory)</b>	DJN.23.24.125	
		<b>Legal (mandatory)</b>	LS/2168/SW/18/10/23	
		<b>Human Resources (if applicable)</b>		
		<b>Corporate property (if applicable)</b>		
		<b>Procurement (if applicable)</b>		
<b>Appendices</b>				
<b>I7</b>	<b>Ref.</b>	<b>Title of appendix</b>		
	A	Part I Briefing report for publication ( <i>mandatory</i> )		

	B	Equalities Impact Assessment ( <i>where required</i> )						
	C	Part 2 Briefing Report						
<b>Confidential/exempt information</b>								
<b>18a</b>	<b>Do you need to include any confidential/exempt information?</b>  Please type an X into the relevant box	<b>Yes</b>	<input checked="" type="checkbox"/>	If yes, prepare a second, confidential ('Part II') briefing report and indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box in <b>18b</b> below.  (Keep as much information as possible in the briefing report that will be in the public domain)				
		<b>No</b>	<input type="checkbox"/>					
		<b>Exemption Paragraph Number</b>						
		<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>
<b>18b</b>	<b>Confidential/exempt briefing report title:</b>  Part 2 Briefing Report			<input checked="" type="checkbox"/>				
<b>Background Papers</b>								
<b>19</b>	Please list all unpublished, background papers relevant to the decision in the table below.  Background papers are <u>unpublished</u> works, relied on to a material extent in preparing the report, which disclose facts or matters on which the report or an important part of the work is based. If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.							
<b>Title of background paper(s)</b>		<b>Exemption Paragraph Number</b>						
		<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>
<b>Cabinet Member Signature</b>								
<b>20</b>	I agree the decision and confirm that it is not contrary to the Council's policy and budget framework, Corporate Plan or Budget. In taking this decision I have given due regard to the Council's duty to promote equality of opportunity, eliminate unlawful discrimination and promote good relations between people who share protected characteristics under the Equalities Act (2010) and those who do not. For further details please see the EIA attached.							

<b>Signature</b>		<b>Date of decision</b>	25 October 2023
<b>Print Name</b>	Councillor Tudor Evans OBE, The Leader of the Council		