

NEW SCHOOLS REDEVELOPMENT PROJECT

INVESTMENT OPPORTUNITY – HUB CO SUB DEBT

1. EXECUTIVE SUMMARY

- 1.1 This report provides an update on the investment in Hub Co sub debt approved at the Policy and Resources Committee on 17 March 2016.
- 1.2 The Council made an investment of £0.492m in Hub Co sub debt on 24 March 2016. The amount earmarked within the General Fund balance was £0.506m and £0.014m has since been returned to the General Fund.
- 1.3 Members are asked to note the report.

**NEW SCHOOLS REDEVELOPMENT PROJECT INVESTMENT OPPORTUNITY –
HUB CO SUB DEBT**

2. INTRODUCTION

- 2.1 This report provides an update on the investment in Hub Co sub debt approved at the Policy and Resources Committee on 17 March 2016.

3. RECOMMENDATIONS

- 3.1 Members are asked to note the report.

4. DETAIL

- 4.1 The Policy and Resources Committee on 17 March 2016 agreed a delegation to the Head of Strategic Finance to approve the investment in Hub Co sub debt at financial close within a range of +/- 10% of £0.500m. A requirement of the delegation was that the actual sum invested be reported back to Members.
- 4.2 The New Schools Redevelopment Project reached financial close on 24 March 2016 and an investment of £0.492m was made in the sub debt of the Hub Co at an approximate interest rate of 10%.
- 4.3 The sum of £0.506m was agreed to be earmarked within the General Fund balance as part of the 2016-17 budget setting process. As the actual investment was £0.492m, this allowed £0.014m to be returned to the General Fund balance and this was advised as part of the year end reports that went to Council on 30 June 2016.

5. CONCLUSION

- 5.1 The Council made an investment of £0.492m in Hub Co sub debt on 24 March 2016. The amount earmarked within the General Fund balance was £0.506m and £0.014m has since been returned to the General Fund.

6. IMPLICATIONS

- 6.1 Policy – None.
6.2 Financial – None.
6.3 Legal – None.
6.4 HR – None.
6.5 Equalities – None.
6.6 Risk – None.
6.7 Customer Service – None.

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14 July 2016

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