

Record of Delegated Executive Decision(s)

1. Subject of decision

Equity and Loan Investment to Aurora Properties (Sale) Limited for Empress Point and Northumberland Square

2. Name and Title of Decision Maker

Paul Hanson, Chief Executive

3. Details of any Conflict of Interest and any Dispensation granted in respect of such Interest

Not applicable

4. Executive summary

The purpose of this report is to seek approval for the Authority to provide **£1.000m** in capital funding, via a combination of equity (40%) and debt (60%) finance, to Aurora Properties (Sale) Limited in order to fund the developments at Empress Point, Whitley Bay and Northumberland Square, North Shields. This is in line with the Cabinet decisions of 14 November 2016, 13 February 2017 and 8 May 2017. The amount of funding provided in this tranche supports the estimated costs in April and May 2019. Further funding will be provided in due course, in line with the build profile, up to the maximum amount approved by Cabinet and included in the 2019-2022 approved Investment Plan.

5. Alternative Options considered

The decision options are to approve or not to approve the provision of **£1.000m** in capital funding from the Authority to Aurora Properties (Sale) Limited by way of loan finance. If not approved, Aurora Properties (Sale) Limited will be unable to meet its ongoing development costs in respect of the Empress Point and Northumberland Square schemes.

6. Decision(s)

The Head of Resources (as Section 151 officer), in consultation with the Head of Law and Governance and the Elected Mayor agree to provide **£1.0-00m** in capital funding from the Authority to Aurora Properties (Sale) Limited by way of loan finance.

7. Reasons for the Decision(s)

It will contribute to the successful development of homes for sale on the Empress Point and Northumberland Square sites in line with the Cabinet decisions and will also deliver income to the Authority through interest income on the loan provided and income from services provided to the Company.

8. Date Decision Made

2 July 2019

9. Is this decision subject to call-in and if so expiry date of call-in period

Yes, the call-in period expires at 5.00pm on Tuesday 9 July 2019

10. Date of Publication

2 July 2019

11. Implementation Date (if decision not called in)

After 5.00pm on Tuesday 9 July 2019