

APPENDIX 2

4 PURPOSE OF THE MEETING

- 4.1** [The Chair explained that the purpose of the meeting was to approve certain documents in relation to the Council's participation in a programme relating to design, construction and financing of integrated primary health care and social care accommodation in the Leicester and Leicestershire community and the provision of related services, pursuant to the NHS LIFT initiative (the "**Project**") and to delegate responsibility for negotiating and finalising documents, and the transaction and to approve the signing of a facility.]

5 BUSINESS CASE, PROPOSALS AND REPORTS

- 5.1** The Cabinet noted and approved the contents of the various reports of the Director of Health and Social Care, including the following:
- 5.1.1** the requirement for the Council to sign the Strategic Partnering Agreement and other documents as noted in paragraph 2.5 of the Report to Cabinet of 16th August 2004 (the "August Report");
- 5.1.2** [the disposal of the freehold property at the Charnwood Children and Family Centre and St Peter's owned by the Council as noted in paragraph 4.5 and 4.6 of the Report to Cabinet of 22nd September 2003 (the September 2003 Report)];
- 5.1.3** the conferring of exclusive development rights to LIFTCo (subject to demonstrating continued value to money) over a possible 25 year period but limited, in the case of the Council, to those expressly set out in the SSDP as described in paragraphs 5.9 onwards of the September 2003 Report, and noting that the Council will have effective veto over any proposals in the SSDP which affect it.
- 5.1.4** and the Council taking a lease substantially in the form of the Lease Plus Agreement ("**LPA**"), but on terms to be agreed, on the Charnwood scheme as described in paragraphs 6 onwards of the September 2003 Report;
- 5.2** The Chair noted that negotiations in connection with the accession of the Council to the Strategic Partnering Agreement

are nearing completion, the substantive agreement having been signed in August 2004 and the LIFTCo established at that time.

5.3 The following documents were tabled at the meeting or were available as background papers for perusal before the meeting:

5.3.1 a list of the outstanding issues which are to be resolved to the satisfaction of the Corporate Director of Social Care and Health of the Council for the time being (a copy of which is attached to these minutes, initialled by the Chair for the purposes of identification) (the "**Approvals List**"); and

5.3.2 a documents list in relation to the Project headed Documents list for the Council, (a copy of which is attached to these Minutes, initialled by the Chair for purposes of identification) the ("**Documents List**"); and

5.3.3 the latest drafts of those documents referred to in the Documents List as being documents to be initialled by or signed by the Council (including Schedules, Annexures and Appendices) together with such other documents as the Corporate Director of Resources, Access and Diversity for the Council for the time being and/or the Head of Legal Services of the Council shall sign (the "**Transaction Documents**").

6 POWERS TO ENTER INTO THE PROJECT AND TRANSACTION DOCUMENTS

6.1 The Cabinet noted that:-

6.1.1 the Council has general powers specified in Section 2 of the Local Government Act 2000 to promote the economic, social and environmental well being of the area of Leicester;

6.1.2 the Council may dispose of land held by it in any manner it wishes pursuant to Section 123(1) of the Local Government Act 1972 (as amended);

6.1.3 the power in paragraph 6.1.2 is subject to Section 123(2) of the Local Government Act 1972 (as amended) which requires the Council not to dispose of land for a consideration less than the best that can reasonably be obtained unless it obtains the consent of the Office of the Deputy Prime Minister;

6.1.4 Regulations 16 and 40 of the Local Authorities (Capital Finance) Regulations 1997 impose restrictions on the Council;

6.1.6 the Council's obligation to carry out its functions effectively, efficiently and economically;

6.1.7 the Council's obligations to comply with its statutory duties; and

6.2 The Cabinet carefully considered:-

6.2.1 The Approvals List;

6.2.2 the terms of the Transaction Documents;

6.2.3 any limits or restrictions on the Council's powers, in particular:

6.2.3.1 in relation to paragraph 6.1.4, the Cabinet considered the fact that the [LPAs and any other] Transaction Document is considered to be a private finance transaction for the purposes of Regulations 16 and 40 of the Local Authorities (Capital Finance) Regulations 1997 or that the Council has capital cover in place;

6.2.3.2 The Council will not be a shareholder or appointee of a director of LIFTCo.

6.2.4 any limits or restrictions on the ability of any of the Members of the Cabinet to exercise any of the Council's powers.

The Cabinet concluded (having considered, inter alia, the type and nature of the Council's own funding arrangements) that it was within the powers and in the best interest of the Council to enter into:

- the proposed Project in the manner described;
- the Transaction Documents (on the terms currently set out in the Transaction Documents produced to the Cabinet; subject to such amendments as may be approved in accordance with paragraph 8 below and subject to satisfaction of the matters in the Approvals List); and

- the Awaited Documents (as to be negotiated and agreed by the Corporate Director of Social Care and Health of the Council for the time being, subject to such amendments as may be approved in accordance with paragraph 8 below and subject to satisfaction of the matters in the Approvals List).

8. RESOLUTIONS

8.1 After due and careful consideration and having so concluded, IT WAS RESOLVED THAT:-

8.1.1 the terms of the transactions contemplated by the Transaction Documents are approved in accordance with the Council's Constitution, ancillary or related documents to which the Council is expressed to be a party are resolved to be approved under paragraph 6.2 in accordance with the Council's Constitution and that all such documents (with such amendments as may be made and agreed and approved by the action of execution in accordance with these resolutions) and all such ancillary or related documents be executed, delivered and performed on behalf of the Council;

8.1.2 authority be given to the Corporate Director of Resources, Access and Diversity of the Council for the time being and/or the Head of Legal Services referred to above at paragraph 6.3:

8.1.2.1 to affix, authenticate and witness the affixing of the common seal of the Council to any of the documents referred to above which require to be executed under seal; and/or

8.1.2.2 to execute any of the documents referred to above requiring to be executed under hand,

and in each case by the act of so doing, to agree and approve any amendments made to such documents subsequent to the holding of this Meeting;

8.1.4 authority to be given to the Corporate Director of Resources, Access and Diversity of the Council for the time being;

8.1.5 authority to be given to the Corporate Director of Resources, Access and Diversity of the Council to approve

sign and/or dispatch and/or deliver all other documents and/or notices to be approved, signed and/or dispatched or delivered by the Council under/or in connection with the documents listed above and, by the act of so doing, to agree and approve any amendments made to such document