

CABINET held at COUNCIL CHAMBER - COUNCIL OFFICES, LONDON ROAD, SAFFRON WALDEN, CB11 4ER, on THURSDAY, 21 AUGUST 2025 at 6.00 pm

Present: Councillor P Lees (Chair)
Councillors J Evans, N Hargreaves, N Reeve and M Sutton

Also in attendance: R Gooding (Conservative Group Leader), N Gregory (Chair of Scrutiny), R Pavitt (Uttlesford Independent Party Group Leader), G Sell (Liberal Democrat Group Leader)

Officers in attendance: P Holt (Chief Executive), N Katevu (Head of Legal and Monitoring Officer), L Porteous (Director of Finance, Revenues and Benefits), J Procter (Democratic Services Officer) and A Webb (Strategic Director of Finance, Commercialisation and Corporate Services)

CAB24 APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

Apologies for absence were received from Councillor Coote.

There were no declarations of interest.

CAB25 ASPIRE (CRP) LIMITED - REQUEST FOR FUNDING

Councillor Hargreaves joined the meeting at 6.09 pm.

The Chair of the Investment Board, Councillor Reeve, presented the report on the request for funding from Aspire (CRP) Limited.

He said that there would be a risk that the value of Aspire could be adversely affected should the Council decide not to proceed with the requested funding, including monthly rental income while the buildings in question remained empty. He said there had been no objections to the proposal at the meeting of the Investment Board. The second part of the proposal was for refurbishment of building 900 with the building being split into smaller units, which were considered to be more marketable.

Questions had been raised at Investment Board regarding the timetable for the restoration of Building 900; the general feeling was that it was realistic and advantageous to achieve this by April 2026. The general consensus of the Investment Board had been that no more funding should be made available for speculative investment on further buildings, although pre-let requests would be looked on favourably.

The new Independent Member at the Investment Board meeting had been fully supportive of the recommendations.

Councillor Reeve proposed the recommendation.

The meeting was adjourned between 6.16 pm and 6.19 pm in order for the Leader to seek clarification on the recommendation.

Councillor Hargreaves seconded the proposal.

He said that the Independent Member had said at the Investment Board meeting on 19 August 2025 that the Council had no real choice but to accept the proposal. He said that altering the configuration from 50:50 to a 60:40 laboratory to office layout would be more marketable. Aspire would lose significant rental income whilst also paying for running costs of the building if the investment was not made. Aviva would likely look to make the entire investment and therefore reduce Aspire's share of the investment, causing an immediate drop in the value of the investment for the Council.

Councillor Evans thanked Councillor Reeve for his summary of the Investment Board meeting as he had been unable to attend. He said if he had been at the meeting he would have said Aspire and Aviva had been 50:50 joint partners in the CRP investment from the beginning and neglecting to make the recommended investment would "dilute" Aspire's share, damaging the value of the asset. Therefore, the Council needed to work with Aviva, who managed the property. He was strongly of the opinion of continuing the 50:50 partnership.

In response to questions from Members, the Leader said it was still the Council's intention to sell CRP should a suitable bid be received, thereby complying with the Council sale approval.

In response to questions from Members, Councillor Hargreaves said: -

- The investment would immediately increase the asset value and there would be further value from the arising rents. Although the Council was continuing their intention to sell CRP, the asset would be profitable to invest in and would continue to be of value to Uttlesford's unitary authority successor should no sale take place.
- The loan could bar the Council from further borrowing from the Public Works Loan Board (PWLB), but this would not be known until a request was made. It was unlikely that a restriction applied only to Uttlesford would be passed onto its unitary authority successor by the PWLB.
- Existing monies for the building of council housing was secured in the HRA fund. This amounted to over £8m.
- The loan in question would be based on commercial market rates.

In response to a question from a Member, Councillor Reeve said the Investment Board did not currently support any future speculative investment to CRP, other than what was proposed.

Councillor Gregory commended the CRP investment for its location within the “Golden Triangle”, the highest concentration of biochemical research facilities worldwide, and said it would certainly continue to benefit the Council if it was not sold.

The Chair put the motion to a vote.

RESOLVED to:

- I. approve a new loan facility of up to £5,100,000 be made available to Aspire (CRP) Limited, for the refurbishment of Building 900 at an interest rate of 6.25% on a repayment basis, to be drawn down in tranches over a period of up to 2 years with repayments commencing from 1 April 2027, subject to Full Council agreeing to make funding available for this purpose;
- II. approve a new loan facility of up to £2,500,000, be made available to Aspire (CRP) Limited, for the completion of Building 800 at an interest rate of 6.25% on an interest only basis, to be drawn down in tranches over a period of up to 2 years with repayments commencing from 1 April 2026, subject to Full Council agreeing to make funding available for this purpose;
- III. note the implications of making the loan on the Council's access to Public Works Loan Board, as set out in paragraphs 24 to 26 of the following report.

The meeting ended at 6.30pm.