

## Appendix 4

### **South Cambridgeshire Investment Partnership LLP (SCIP)**

On 14<sup>th</sup> February 2019 South Cambridgeshire District Council published an Invitation to Tender (ITT) for Investment Partnership Framework Contracts; incorporating proposed Heads of Terms that would form the basis of a Members' Agreement for a Limited Liability Partnership (LLP).

The Members' Agreement sets out the partnership and governance arrangements for the Council in entering into an Investment Partnership.

Two tenders were received, one of which was from Hill Investment Partnerships. At a meeting of the Cabinet on 1<sup>st</sup> July 2020 approval of the proposal submitted by Hill Investment Partnerships was given together with approval for officers' negotiations to continue to enable the drafting of a Members' Agreement. External legal advice was procured from Freeths.

At a meeting of the Full Council held on 14<sup>th</sup> July 2020, approval was given for the execution of the Members' Agreement between the Council and Hill Investment Partnerships and the formation at Companies House of an LLP. Approval was given for the name of the Investment Partnership to be South Cambridgeshire Investment Partnership LLP. The governance model for the LLP, and for the Council as an LLP Member, were included in the appendices to the Full Council Report.

The Partnership is an equal, 50:50 Limited Liability Partnership. The Investment Partnership model provides the opportunity for the Council to benefit from the expertise and resources that a development partner can contribute. The model is based on each partner sharing the outputs (financial and social) in the proportion to the value of its input, allowing the partners to share the development risk and development uplift arising from a scheme. A higher percentage of development uplift would be paid to the developer under a single developer procurement model.

The agreed objectives of SCIP as set out in the Members' Agreement are to deliver growth and regeneration through development, predominantly residential in South Cambridgeshire, but also in the Cambridge/Peterborough Independent Economic Review Area; in particular by the provision of:

- Private Sector housing
- Key Worker Housing
- Affordable Housing
- Mixed Work House Development
- Market Housing for Sale
- Estate Generation
- Senior Living Extra Care

A further objective relates to the LLP achieving a commercial rate of return to improve the financial return from the Council's assets in the Cambridgeshire area.

The business of SCIP is conducted in accordance with the governance processes and procedures set out in the Members' Agreement. The Council is represented on the Investment Partnership Board by a senior elected member representative and a senior officer representative. Hill Investment Partnerships is represented by two Directors.