

Officer Decision

TITLE	<p>SARACENS LOAN- SARACENS COPTHALL LLP APPLICATION FOR APPROVAL OF CHANGE OF CONTROL for SCLLP</p> <p>Public apart from exempt Appendix A this is exempt as it contains information falling within Schedule 12A of the Local Government Act 1972, information relating to the financial or business affairs of a person or body (including the authority holding that information)</p>
DATE OF DECISION	20.1.2022
DECISION TAKER	Deputy Chief Executive
SUMMARY OF THE DECISION	<p>SUMMARY OF THE DECISION: To approve the change in control of Saracens Copthall LLP (SCLLP)] in accordance with clause 12.5 of the Loan Agreement between LBB and SCLLP.</p> <p>Dated 29th January 2019.</p> <p>Following recent proposals to make change to the majority shareholder for Saracens Limited and SCLLP, to a consortium of investors, the parties have requested LBB's consent under clause 12.5 , 12.7, 12.9.1 and 10.4 of the loan agreement:</p> <p>In agreeing to the change of control and other matters, the council has confirmed that the change has no negative impacts on the business plan or the guarantee and change of control approval requests have been obtained from Sport England/ DCMS and the Rugby Football Union to implement the change of control.</p> <p>Saracens LLP has represented and warranted that it has no knowledge of any reputational issues in relation to its directors or any matters that may give rise to public concerns and that Saracens LLP will continue to appropriately review its Board composition.</p> <p>SCLLP has confirmed that nothing has been omitted from the information provided to the Council and no information has been given or withheld that results in the information provided to the Council being untrue or misleading in any material respect.</p> <p>Assurances include:</p> <ol style="list-style-type: none"> (1) Confirmation that the guarantee is unaffected, and that the guarantor's assets (Company A) will remain above the agreed value following the new investment (2) Confirmation that Rothschild gave a reference to confirm that the consortium has the resources to complete the transaction (3) Confirmation that the change in control has no negative impacts on the business plan (4) Confirmation that required change of control approvals have been obtained from Sport England/ DCMS and the Rugby Football Union to implement the change of control. These approvals were obtained in December 2021

	<p>The decision is to approve the Change in Control, changes to the Business Plan and Disposal of Assets and amendment to 10.14 of the Loan Agreement to reflect the fact that the members of Saracens Cophall will be as described in the attached Appendix A. The deal involves additional monies being invested into Saracens. It is positive for the long-term future of the club and provides additional confidence in the ability of SCLLP to meet the repayment schedule of the stadium loan. LBB has verified that the business plan is unchanged as is the guarantee arrangement (and the Middlesex involvement) but with the added assurance that the holding company has new funding to support both the rugby club and if needed the stadium loan. LBB Finance is satisfied that the change in ownership have a positive impact and do not consider that a credit assessment of the companies involved in the Saracens ownership structure is currently required.</p> <p>The council requires that it is notified when the change of control is completed.</p>
<p>DECISION</p>	<p>Relevant previous decision(s);</p> <p>On 29.1.2019 LBB entered into a loan agreement with Saracens Cophall LLP (SCLLP, the Borrower) to lend them £23,174,450 (inclusive of interest), in order for them to be able to build a new West Stand at their stadium at Cophall for completion in May 2022.</p> <p>On 23rd October 2018 the Policy and Resources Committee authorised the Deputy CEO to enter into a Loan Agreement with Saracens Cophall LLP for the provision of a new West Stand as part of the Stone X (then named Allianz Park) stadium at Cophall.</p> <p>https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=692&MId=9459&Ver=4</p> <p>This Loan Agreement, and associated documentation, was entered into on 29th January 2019 under the DPR dated 28th January 2019.</p> <p>https://barnet.moderngov.co.uk/documents/s51011/Public%20-%20Saracens%20Loan%20Agreement.pdf</p> <p>Risk management issues;</p> <p>The corporate risks have been updated</p> <p>Use of resources implications;</p> <p>The value of this decision is nil. All repayments and interest payments come back to LBB. Interest is charged on the loan at a commercial rate of 6% and the loan therefore provides a positive contribution to the Council's Medium Term Financial Strategy.</p> <p>Finance have conducted due diligence and are comfortable that the changes do not adversely impact on the council as lender.</p> <p>Legal issues;</p> <p>Constitutional powers / delegated power exercised;</p> <p>Constitution article 9 para 9.1 .(b).(i.) (a) states that chief officers can make decisions and approve expenditure relating to their functions and the functions of their department , where necessary providing that the sum to be expended is within the approved budget for the department and the amount does not exceed 189k.</p>

	<p>https://barnet.moderngov.co.uk/documents/s68456/10Article9ChiefOfficers.doc.pdf</p> <p>The value of this decision is nil.</p> <p>Item 7 from Decisions of the Policy and Resources Committee 23 October 2018</p> <p>“Authorises to the Deputy Chief Executive to take all reasonable steps to prepare to enter into a loan agreement with Saracens Copthall LLP for the provision of a new West Stand as part of the Allianz Park stadium at Copthall.”</p> <p>Consultation The Leader has been consulted on this decision. The council will be notified when the new ownership structure and investment is in place.</p>
<p>AUDIT TRAIL OF DECISION</p>	<p>The audit trail should include details of any background information relied upon in making the decision and any advice or clearances received.</p> <p>Policy & Resources Committee, 19 July 2018: https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=692&MId=9725&Ver=4</p> <p>Policy & Resources Committee, 23 October 2018: https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=692&MId=9459&Ver=4 Printed minutes 23rd-Oct-2018 19.00 Policy and Resources Committee.pdf (moderngov.co.uk)</p> <p>Delegated Powers Report, Saracens Loan Agreement, 28 January 2019: https://barnet.moderngov.co.uk/ieDecisionDetails.aspx?ID=7108</p> <p>FPCC Committee, 27th October 2020 https://barnet.moderngov.co.uk/documents/s60803/201019_SCLLP_Loan_update.pdf</p> <p>Delegated Powers Report, Loan Agreement with Saracens Copthall LLP, 24 April 2020 Click Here</p> <p>Delegated Powers Report, Saracens Loan Agreement to Restart the Loan, 24.02.2021 Decision - Loan Agreement with Saracens Copthall LLP - Re-starting Loan Draw Down Payments (moderngov.co.uk)</p>

Decision taker's statement

I have the required powers to make the decision documented in this report. I am responsible for the report's content and am satisfied that all relevant advice has been sought in the preparation of this report and that it is compliant with the decision making framework of the organisation which includes Constitution, Scheme of Delegation, Budget and Policy Framework and Legal issues including Equalities obligations.

I authorise the above decision:

Signed



Designation

Deputy CEO

Date

20.01.2022

Process Guidance

Guidance notes:

- 1) Decisions with a value of up to £189,329 are recorded via the Officer List of Decisions. Full Officer DPR's for this financial threshold can still be used where the decision maker wishes to do so.
- 2) ALL delegated powers decision should be published on the Council's website.
- 3) The EA's will collate the Officer List of Decisions as required.
- 4) Decisions will be included in this style in accordance with the Council's Constitution.
- 5) The Scheme of Delegation sets out the level of authority at which certain decisions can be made within a service. Once signed by authorised Officer, the decision is taken as approved and therefore there is no additional requirement for the Strategic Director to also sign the decision. This means that decisions taken by Officers should be collated by EA's.
- 6) The Chief Officer is requested to follow these principles when taking decision at this level
 - i) The Chief Officer has the required powers to make the decision documented or have delegated authority to the recorded Officer.
 - ii) That the Officer is satisfied that all relevant advice has been sought in taking the decision in order to ensure that the decision-making framework of the organisation including the Constitution, Scheme of Delegation, Budget and Policy Framework and Legal issues including Equalities obligations are applied.
 - iii) That a full audit trail will be retained on file and available on request by the relevant authority.

Please be referred to [Article 10](#) of the Council's Constitution

The Chief Officer/ Executive Assistants Support Structure:

Chief Officer	Executive Assistant
John Hooton	Lucy Law
Cath Shaw	Madhu Nambiar
Clair Green	Corinna Demetriou
Chris Munday	Corinna Demetriou
Jamie Blake	Laura Ives-Appleby
Dawn Wakeling	Laura Ives-Appleby
Anisa Darr	Kar Lai Lee
Tamara Djuretic	Madhu Nambiar

Appendix A Exempt with two attachments