



Monday, 5 June 2017

## **INVESTMENT COMMITTEE**

A meeting of **Investment Committee** will be held on

**Tuesday, 13 June 2017**

commencing at **3.00 pm**

The meeting will be held in the Board Room, Town Hall, Castle Circus, Torquay  
TQ1 3DR

### **Members of the Committee**

Councillor Tyerman (Chairman)

Councillor Darling (S)

Councillor O'Dwyer

Councillor Pentney

Councillor Robson

Councillor Thomas (D)

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**A prosperous and healthy Torbay**

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For information relating to this meeting or to request a copy in another format or language please contact:

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# INVESTMENT COMMITTEE AGENDA

## 1. **Apologies**

To receive any apologies for absence including any changes to the membership of the Committee.

## 2. **Minutes**

To confirm as a correct record the Minutes of the meetings of this Committee held on 16 and 30 May 2017.

(Pages 3 - 7)

## 3. **Declarations of interest**

- (a) To receive declarations of non pecuniary interests in respect of items on this agenda

**For reference:** Having declared their non pecuniary interest members may remain in the meeting and speak and, vote on the matter in question. A completed disclosure of interests form should be returned to the Clerk before the conclusion of the meeting.

- (b) To receive declarations of disclosable pecuniary interests in respect of items on this agenda

**For reference:** Where a Member has a disclosable pecuniary interest he/she must leave the meeting during consideration of the item. However, the Member may remain in the meeting to make representations, answer questions or give evidence if the public have a right to do so, but having done so the Member must then immediately leave the meeting, may not vote and must not improperly seek to influence the outcome of the matter. A completed disclosure of interests form should be returned to the Clerk before the conclusion of the meeting.

**(Please Note:** If Members and Officers wish to seek advice on any potential interests they may have, they should contact Governance Support or Legal Services prior to the meeting.)

## 4. **Urgent Items**

To consider any items that the Chairman decides are urgent.

## 5. **Exclusion of Press and Public**

To consider passing a resolution to exclude the press and public from the meeting prior to consideration of the following item on the agenda on the grounds that exempt information (as defined in Paragraph 3 of Schedule 12A of the Local Government Act 1972 (as amended) is likely to be disclosed.

## 6. **Investment Opportunities**

To consider various investment opportunities.



## Minutes of the Investment Committee

16 May 2017

**-: Present :-**

Councillor Robson (Chairman)

Councillors Darling (S), O'Dwyer, Thomas (D), Tyerman and Doggett (In place of Pentney)

(Also in attendance: Councillors Lewis (C) and Brooks)

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### **37. Election of Chairman**

Councillor Robson was elected as Chairman of the Investment Committee for the 2017/2018 Municipal Year.

Councillor Robson in the Chair

### **38. Apologies**

In accordance with the wishes of the Liberal Democrat Group, the membership of the Committee had been amended for this meeting by including Councillor Doggett instead of Councillor Pentney.

### **39. Minutes**

The Minutes of the meeting of the Investment Committee held on 4 May 2017 were confirmed as a correct record and signed by the Chairman.

### **40. Appointment of Vice-Chairman**

Councillor Tyerman was appointed as Vice-Chairman of the Investment Committee for the ensuing Municipal Year.

### **41. Review of Investment and Regeneration Strategy**

Further to Minute 30.4.17, the Investment Committee considered a further revised Investment and Regeneration Fund Strategy, which had been updated to cover Regeneration Fund investments. Members did not support the proposed inclusion of Regeneration Fund investments within the Investment Fund Strategy as they felt that this was better considered elsewhere with final decisions being made by the Council. However, if regeneration proposals were in accordance with the requirements of the Investment Fund Strategy they would still be considered by the Investment Committee.

The report also set out proposed changes to the Investment Committee's Terms of Reference to enable it to make recommendations to the Council on regeneration fund investments which were not supported by the Committee.

Resolved:

- (i) that, subject to the following, the Council be recommended to approve the revised Investment Fund Strategy, including the additional £50m for the General Investment Fund (making it a total of £100m) to be funded from prudential borrowing (when required), set out in Appendix 1 to the submitted report:
- title to remain Investment Fund Strategy and all references in the document to be amended accordingly;
  - VRP to cover capital risks only, therefore delete 'vacant or reduced rental periods' from P18;
  - add ... 'by the Council or' through a wholly owned company of the Council to the last sentence of the first paragraph of P12 and last sentence in section 1.8 on P14;
  - VRP being set at 0.5% of the purchase price before costs, subject to at least annual review;
  - Fund Management being set at 0.25% of the purchase price before costs, subject to at least annual review;
  - Investment Committee to monitor the levels of VRP and Fund Management Funds as part of managing the investment portfolio;
  - cash flow table to be put in order of real costs;
  - the following to be added to the cash flow table:
    - average initial yield;
    - average yield;
    - average rental income over x years (at current prices);
    - surplus before tax;
    - surplus after tax (if applicable); and
    - write off of acquisition costs; and
- (ii) that the Head of Finance bring a list of assets that should be included within the Investment Portfolio to a future meeting of the Investment Committee.

#### **42. Exclusion of Press and Public**

Prior to consideration of the item in Minute 47 the press and public were formally excluded from the meeting on the grounds that the item involved the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 (as amended).

#### **43. Investment Opportunities**

Iain Masters and Liam Montgomery, TDA, provided a verbal update in respect of a regeneration investment opportunity within Torbay.

Resolved:

That the Investment Committee supports the concept of the regeneration investment in Torbay outlined at the meeting and a report be submitted to the Council on 22 June 2017

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Chairman



## Minutes of the Investment Committee

30 May 2017

-: Present :-

Councillor Robson (Chairman)

Councillors O'Dwyer, Thomas (D), Tyerman, Doggett and Stocks

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### 44. Apologies

In accordance with the wishes of the Liberal Democrat Group, the membership of the Committee had been amended for this meeting by including Councillors Doggett and Stocks instead of Councillors Darling (S) and Pentney.

### 45. Minutes

This item was deferred.

### 46. Exclusion of Press and Public

Prior to consideration of the item in Minute 47 the press and public were formally excluded from the meeting on the grounds that the item involved the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 (as amended).

### 47. Investment Opportunities

Liam Montgomery, TDA, provided a verbal update in respect of the recent Council decision on an investment, which the Council had not been successful in purchasing.

Members received an initial update in respect of three potential investment opportunities outside of Torbay (as set out in the exempt highlight reports circulated at the meeting) and an update on a potential investment opportunity within Torbay.

Resolved

- (i) that the TDA be requested to prepare a detailed report to be presented to the next Investment Committee on 13 June 2017 on the proposed investment in office accommodation in the region (unanimous);
- (ii) that the out of area warehouse distribution centre be not pursued further (unanimous);

- (iii) that the TDA be requested to prepare a detailed report to be presented to the next Investment Committee on 13 June 2017 on the proposed investment in the out of area leisure complex (unanimous) and
- (iv) that no further action be taken in respect of the investment opportunity within Torbay (unanimous).

Chairman

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