



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)

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

Chairman
