

Non Treasury Management Investments

11th September 2019

Investment Properties				
The criteria the Council has adopted for the recognition of an investment priorities is :-				
A property held primarily to generate rental income or for capital appreciation or both.				
A property that is used solely to facilitate delivery of services, or to facilitate delivery of services as well as rentals does not meet the definition.				
Asset	Value at 31.03.2019 *	Year Purchased	Purchase Price for investment and regeneration fund assets	Asset life for the calculation of MRP
	£ million		£ million	years
Distribution Warehouse at Medway	28.8	2017/18	31.4	50
Ferndown	26.1	2017/18	27.5	50
Fugro House	19.8	2017/18	20.6	50
Gadeon House	15.3	2017/18	16.9	50
Gala Bingo Club	0.3	n/a	n/a	n/a
Torquay Golf Course (Petitor)	1.2	n/a	n/a	n/a
Unit 3 Riviera Park	0.8	n/a	n/a	n/a
Waterside Caravan Park	2.5	n/a	n/a	n/a
Wren Retail Park	18.1	2016/17	21.1	50
Twyver House, Gloucester Purchase Price £12m	12.3	2018/19	12.5	50
Woodwater House Exeter Purchase Price £10m	9.3	2018/19	9.9	50
The Range, Babbacombe	8.8	2018/19	8.8	35
Lucknow Road, Bodmin	2.8	2018/19	3.0	35
SubTotal	146.1			
Investment Assets under construction				
Travelodge, Chippenham	0.1	2019/20	0.1	35
Distribution facility, Exeter	2.6	2019/20	2.3	35
Sub Total as at 31.3.19	148.8			
	Purchase Price			
	£ million			
2019/20 investments as at 11/9/19				
Crown Records, Exeter	1.8	2019/20	1.8	50
Total	150.6			

* Note: Valuation are made inline with the CIPFA Accounting Code as required for the Council's Statement of Accounts

Loans (over £50k balance outstanding)

All loans over £50k have received Council or Investment Committee Approval in line with Financial Regulations

Debtor	Value Principal	Loan Term (years)	Remaining term as at 31/03/19	Interest rate per annum	Outstanding Balance 31.03.2019	Draw Downs in 2019/20	Note	Mitigation of risk
	£ million				£ million			
Care Home Provider	1.3	10	8 years and 8 months	5%	1.1			legal charges in place
Parkwood Leisure	1.7	12	12 years	4.80%	1.7			asset leased from Council
South Devon college	4.0	25	23 years & 3 months	2.80%	3.7			None - Council decision to accept risk as public sector
TEDC - Cockington Car Park	0.6	n/a		n/a	0.0		Not yet taken up	Wholly owned subsidiary of the Council
TEDC - Kings Ash House	1.5	25	23 years & 3 months	4.50%	1.4			

Loans (over £50k balance outstanding)							
THAT Group	9.3	Capital repayment starts in 2025 (7 years after the agreement)	36 years from 2025	A margin of 4.5% plus B of E base rate at applicable date	0.0	5.1	Full amount of loan will be drawn down by 31/12/19 legal agreement and personal guarantee
Total	18.4				7.9		

Guarantees

None as at 31.3.19

Pension Guarantees (to Pension Fund not Employer)

Employer	Nature of Guarantee **	Fund Start Date	Bond Renewal Date	Existing Bond Amount £'000	***2017 Assessed Risk £'000	Mitigation of risk
Action for Children	A	01.08.2012	31.12.2016	80	22	Council contract
Mama Bears	A	08.12.2012	08.01.2018	22	9	Council contract
Healthwatch Torbay	A	01.05.2013	Cash held in Escrow A/C with DCC	13	21	Escrow a/c
Churchill Services (Sherwell Valley)	A	01.10.2014	30.09.2017	24	7	Low value
Torbay Community Development Trust	A	01.03.2014	Cash held in Escrow A/C with DCC	21	18	Escrow a/c
Sanctuary Housing (Intergrated Domestic Abuse)	A	02.09.2014	01.10.2019	10	39	Bond in place until 1.10.19
Torbay Coast and Countryside Trust	C	01.12.1999	n/a	n/a	223	linked charity
Tor 2 Waste (Kier PCG)	C	19.07.2010	n/a	n/a	324	pass through
Tor 2 Street Scene (Kier PCG)	C	19.07.2010	n/a	n/a	659	pass through
Tor 2 Asset Management (Kier PCG)	C	19.07.2010	n/a	n/a	632	pass through
Torbay Econ. Development Agency	C	01.07.2011	n/a	n/a	525	wholly owned subsidiary
The Childrens Society (Services) Ltd	C	01.01.2014	n/a	n/a	8	Low value
ISS Torbay Schools	C	01.08.2014	n/a	n/a	21	Low value

LEX Leisure (transfer of Velopark staff)	n/a	1.12.17	If deficit materialises, through LEX becoming insolvent, amount will be added to Council's existing deficit			
Libraries Unlimited (transfer of Libraries staff)	n/a	01.04.18	Any liability arising through Libraries Unlimited becoming insolvent, the amount will be added to the Council's existing fund deficit. In addition, any liability at the end of the contract will also be added to the Council's fund deficit			
CSW Group (Cornwall Local Government Pension Scheme)	n/a	2008	Torbay Council's liability limited to 8.1% based on population			

**A= Bond is required as part of the organisation's admission agreement

C= A bond is not in place and either the letting authority or a guarantor has responsibility for any residual deficit

***The summary shows the 2017 Assessed Risk Value as supplied by the Devon Local Government Pension Scheme

Subsidiary Companies (wholly owned by Torbay Council) - see Statement of Accounts 2018/19

<https://www.torbay.gov.uk/media/12919/soa-1819.docx>