

Commercial Property Investment Strategy – Budget Scrutiny Comments 30/01/2019 – Appendix 3

Budget Scrutiny Comments 30/01/2019	Response
Scrutiny agree that priority should be given to investing within the District, however, don't close the door on investments outside of the District if they make business sense	Agreed and included within the Commercial Property Investment Strategy (the draft strategy)
Would like a broader range of Members on the Property Investment Panel, to include Member(s) of Scrutiny	This is an Executive function and is not possible due to the role that Scrutiny must play, ensuring a clear division between the role of the Panel and the scrutiny of decisions made by the Executive Board.
Would like to see the Terms of Reference for the Property Investment Panel when they have been developed	Will send through when the Panel is set up and the TOR developed following adoption of the draft strategy at Executive Board
With regard to the commissioning of specialist, expert advice when required – Scrutiny would like assurances that this is required. Need to consider whether we have our own expertise within the Council first.	Noted
Confirmed that social value is an important principle alongside income	Noted and already within the draft strategy
The importance of 'balanced' risk was emphasized, not just low risk options	Noted and strengthened in the draft strategy
It was commented that sometimes, greater income can be achieved from investing in some market areas	Noted, but ethical investments are considered to essential to protect the Council's reputation. Investments should align to the core values and principles outlined within the Corporate Plan
Long term investments – need to be mindful of potential property deterioration	Noted and added to the draft strategy. Capital amounts would be kept aside as part of the business case to ensure maintenance of property in the long term
Borrowing – need to be mindful of the accumulative effect of borrowing across the whole of the Council and not just on an individual project basis	Noted and strengthened with the draft strategy

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Joint venture arrangements – comment made not to put all eggs in one basket and to consider other partnerships	Agreed
Statutory Guidance states that Authorities must ‘have regard’ to the guidance and therefore are not ‘required’ to comply	Noted, but the Council would be foolish not to comply with Statutory Guidance and would put itself at risk of potential inquiry / intervention if acting outside of good practice. In addition, if investments went wrong, the Council would be criticised heavily if it hadn’t complied with Guidance. The Council’s Audit Committee would require adherence to Government Statutory Guidance.