

**STRATEGIC ASSET PURCHASING
COMMITTEE**

HELD: Tuesday, 8 December 2020

Start: 6.00 pm
Finish: 7.15 pm

PRESENT:

Councillors: I Moran (Chairman)
D Evans (Vice Chairman)

A Yates I Rigby
D Westley D Whittington

In attendance: Councillor A Owens

Officers: James Pierce, Head of Finance, Procurement and Commercial Services.
Rachel Kneale, Estates & Valuation Manager
Matt Jones, Legal & Democratic Services Manager
Tom Dickinson, Principal Solicitor
Mike Kostrzewski, Finance and Audit Manager
Marc Taylor, Investments Project Advisor
Jacqueline Pendleton, Internal Audit Manager
Kirsty Breakell, Member Services / Civic Officer
Chloe McNally, Apprentice / Member Services

1 APOLOGIES

There were no apologies for absence received.

2 TERMS OF REFERENCE

RESOLVED: That the Terms of Reference of the Committee be noted as follows:

Functions:

1. To consider the following financial instruments, within the limits detailed, in order to achieve a financial return:
 - Property Funds – Investment up to £3m in individual property funds for a period of up to 5 years
 - Corporate bond investments – Investment of up to £3m in individual bonds for a maximum period not exceeding 3 years
 - Infrastructure investments e.g. solar bonds – Investment of up to £3m for a period of not exceeding 5 years
 - Sums can be invested with other Councils for a period of up to 5 years, not exceeding an amount of £5m
 - Investments with banks and building societies can be made for a period of up to 3 years as long as the credit rating is A- or above and the sums do not exceed £3m.

The business case for each type of investment must be robust and demonstrate the appropriate net rate of return for that class of investment.

2. To approve commercial property investments with a value of up to £5m in accordance with the Investing in West Lancashire – Commercial Property Strategy.

3 MEMBERSHIP OF THE COMMITTEE

There were no changes to the membership of the Committee.

4 DECLARATIONS OF INTEREST

There were no declarations of interest.

5 URGENT BUSINESS

There were no urgent items of business.

6 FUTURE TRAINING REQUIREMENTS

The Committee received an overview from the Estates and Valuation Manager, of the work the team does when considering the purchase of a property and the proposed training the Group would receive, along with asking Members if there were any specific issues they wished to be covered.

RESOLVED: That the overview be noted.

7 IMPLICATION OF REVISED GOVERNMENT POLICY ON PUBLIC WORKS LOAN BOARD (PWL B) BORROWING

The Committee received a presentation from the Investments Project Advisor on the implications of revised government policy on public works loan board borrowing.

RESOLVED: That the presentation be noted.

8 EXCLUSION AND PRESS AND PUBLIC

RESOLVED: That under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting during consideration of the following items of business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 (Financial Business) of part 1 of Schedule 12A to the Act and as in all circumstances of the case, not in the public interest in disclosing the information.

9 COMMERCIAL PROPERTY INVESTMENT STRATEGY - OVERVIEW OF KEY FEATURES

The Committee received a presentation from the Investments Project Advisor which gave an overview of the Commercial Investment Property Strategy.

Questions and comments were raised in respect of the following:

- Current position regarding existing properties where borrowing occurred
- Categories that investments fall into

RESOLVED: That the presentation be noted

10 COMMERCIAL PROPERTY INVESTMENT STRATEGY - PROGRESS UPDATE

The Committee received an update from the Head of Finance, Procurement and Commercial Services, on the Commercial Property Investment Strategy. The Members were advised that a group has been set up comprising of Officers from Legal, Finance, Estates and Environmental Services who meet twice a month. Updates from the group will be brought to Members at future meetings.

RESOLVED: That the update be noted.

11 NEW LONG TERM TREASURY MANAGEMENT INVESTMENT OPPORTUNITIES - PROGRESS UPDATE

The Committee received a presentation from the Finance and Audit Manager which gave an overview of the Long Term Treasury Management Investment Opportunities, to include previous and suggested revised approaches to Treasury Management and the possibility of piggy backing onto other Authorities who already have established investments in place where the background research has already been carried out.

Questions and comments were raised in respect of the following:

- Ethical implications
- Investments being in line with the Authorities ethos
- Investments being made locally
- Multifaceted Investments
- Members to provide ideas and suggestions by mid-January 2021

RESOLVED: That the presentation be noted

12 TRACK RECORD OF RECENT COMMERCIAL INVESTMENTS

The Committee received a presentation from the Investments Project Advisor, of the track record of the Commercial Investments made to date.

Questions and comments were made in respect of the following:

- No past borrowing was done, which has affected performance. Future figures for investment would therefore look different.
- The Authority provide a good service as a landlord, which could potentially secure investment to the area.
- Investment not being purely for financial gain but to provide control over what types of business are brought into the area.

RESOLVED: That the presentation be noted

.....
Chairman