

## RECORD OF EXECUTIVE DECISION

Tuesday, 15 October 2019

**Decision No:** (CAB 19/20 25463)

DECISION-MAKER:	CABINET
PORTFOLIO AREA:	CABINET MEMBER FOR RESOURCES
SUBJECT:	COMMERCIAL PROPERTY INVESTMENT
AUTHOR:	STEVE HARRISON

### THE DECISION

- (i) Re-affirms the commitment to a property investment fund as a part of the strategy for addressing future budget shortfall.
- (ii) Agrees the approach as outlined in this report and the investment criteria attached to this report.
- (iii) Agrees to delegate to the Service Director – Strategic Finance and Commercialisation, in consultation with the Cabinet Member for Resources, the ability to amend the property investment strategy prior to making the first additional purchase into the Fund.
- (iv) Notes the addition and spend of £200M. It is proposed to include this sum in the 2019/20 capital programme. Whilst it will be included in full, in practice it is likely there will be a need to spread such an investment beyond the current year. This will be funded by Council resources.

### REASONS FOR THE DECISION

To allow the council to expand its property investment portfolio acquisitions to date. This in turn will make the council more financially resilient at a time of significant demand pressures faced by many front line services and when core funding from Government has been reduced significantly.

### DETAILS OF ANY ALTERNATIVE OPTIONS

Not to invest in commercial property for a return above cost would mean additional revenue to help with the budget shortfall the authority faces would not be available. The budget gap for 2020/21 as outlined in the Medium Term Financial Strategy report to Council in February 2019 was £9.5M. The absence of increasing the yield from additional commercial property investment would mean other savings being required which could include budget cuts.

**OTHER RELEVANT MATTERS CONCERNING THE DECISION**

None.

**CONFLICTS OF INTEREST**

None.

**CONFIRMED AS A TRUE RECORD**

We certify that the decision this document records was made in accordance with the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000 and is a true and accurate record of that decision.

Date: 15 October 2019

Decision Maker:  
The Cabinet

Proper Officer:  
Pat Wood

**SCRUTINY**

Note: This decision will come in to force at the expiry of 5 working days from the date of publication subject to any review under the Council's Scrutiny "Call-In" provisions.

Call-In Period expires on

Date of Call-in *(if applicable) (this suspends implementation)*

Call-in Procedure completed *(if applicable)*

Call-in heard by *(if applicable)*

Results of Call-in *(if applicable)*