



Uttlesford District Council

At s

Chief Executive: Dawn French

Investment Board

Date: Thursday, 23rd January, 2020
Time: 4.00 pm
Venue: Committee Room - Council Offices, London Road, Saffron Walden,
Essex CB11 4ER

Chair: TBD
Members: Councillors G Bagnall, C Criscione, N Hargreaves, A Khan,
P Lavelle, G LeCount, J Lodge, R Pavitt, N Reeve, G Sell and
J De Vries

AGENDA PART 1

Open to Public and Press

- 1 Apologies for Absence and Declarations of Interest**
To receive any apologies for absence and declarations of interest.
- 2 Minutes of the previous meeting** 5 - 8
To consider the minutes of the previous meeting.
- 3 Election of a Chair**
To elect a Chair for the meeting.
- 4 Recruitment of Independent Members to the Investment Board** 9 - 14
To receive a report on recruitment of Independent Members to the Board.

PART 2

Exclusion of Public and Press

5 Exclusion of public and press

Consideration of reports containing exempt information within the meaning of section 100I and paragraph 3 part 1 Schedule 12A Local Government Act 1972.

6 Commercial Strategy 2020 - 2024 15 - 28

To consider the Commercial Strategy.

7 Approved Investment Opportunities 29 - 32

To consider the report on approved investment opportunities.

8 Potential Investment Opportunities 33 - 46

To consider the report on potential investment opportunities.

9 Emmanuel Building - Chesterford Research Park 47 - 50

To consider the report on the Emmanuel Building – CRP.

For information about this meeting please contact Democratic Services

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Public Document Pack Agenda Item 2

**INVESTMENT BOARD held at COMMITTEE ROOM - COUNCIL OFFICES,
LONDON ROAD, SAFFRON WALDEN, ESSEX CB11 4ER, on MONDAY, 25
NOVEMBER 2019 at 5.00 pm**

Present: Councillors G Bagnall, C Criscione, P Fairhurst, N Hargreaves,
A Khan, P Lavelle, G LeCount, J Lodge, R Pavitt, N Reeve and
G Sell

Officers in attendance: R Auty (Assistant Director - Corporate Services), A Webb
(Director - Finance and Corporate Services) and N Wittman
(Assistant Director - ICT and Facilities)

Also present: Councillor A Gerard

IB14 **ELECTION OF CHAIR**

Councillor Lodge said that a Chair for the Investment Board would be appointed at the following evening's Cabinet meeting, so he suggested he would carry on in the Chair for this meeting.

AGREED to appoint Councillor Lodge as the Chair of the
Investment Board for the meeting on 25 November 2019.

IB15 **MINUTES OF THE PREVIOUS MEETING**

Members discussed the benefits of matters arising being included on the agenda. The Chair reminded members that a decision had previously been taken not to include matters arising on any agenda. He said while he felt somewhat frustrated by this, the matter had been discussed at length previously.

In response to a member question, the Chair confirmed he would be putting himself forward to be permanent Chair of the Investment Board but would be relinquishing Chairmanship of the Planning Policy Working Group.

IB16 **CONFIRMATION OF INTERVIEW PANEL**

The Chair brought this item forward on the agenda. He said due to the political changes in the Council, there was now a situation where the Administration group was in the minority on the Interview Panel for the Independent Members and Non-Executive Directors. He therefore proposed replacing Cllr Fairhurst with Cllr Lavelle.

Cllr Fairhurst said it depended what the Chair wanted to achieve. If he wanted a Board that supported the Administration view then it was the right thing; if he wanted a Board that was balanced and objective then it probably was not. He said he was happy to abide by the decision but the message it sent was clear.

Cllr Sell said the main opposition group was not represented at all and the independents, who were the smallest group, were.

The Chair said the Administration had been generous in spreading roles around the groups and pointed to the Climate Change Working Group, which he said had excessive Green representation.

AGREED that Councillor Lavelle would replace Councillor Fairhurst and join Councillor Lodge and Councillor Pavitt on the interview panel.

Councillor Fairhurst announced his resignation from the Investment Board and left the meeting along with Councillor Gerard.

IB17 **ASPIRE (MRH) LTD - NON-EXECUTIVE DIRECTOR ADVERTISEMENT AND TIMETABLE**

The Assistant Director – ICT and Facilities introduced the report.

Members expressed views that the advertisement wording could be improved and may not necessarily attract the calibre of applicant the Board was looking for. The advertisement needed to be clear that the Council was looking for someone who has already done similar work at a board level.

In response to a member question, the Assistant Director – ICT and Facilities said she would circulate the role descriptor and person specification.

The Director of Finance and Corporate Services said when the Council previously advertised for Non-Executive Directors, very similar wording was used and the advertisement attracted more than 50 applicants. Many people wanted to use such an opportunity to improve their CV and it was unlikely the annual payment offered would put applicants off.

The Director of Finance and Corporate Services said officers would revisit the advertisement wording and circulate it by email to Board members.

IB18 **INVESTMENT BOARD - INDEPENDENT MEMBERS ADVERTISEMENT AND TIMETABLE**

Members considered the wording of this advertisement to be better although again requested sight of the role descriptor and person specification. The Director of Finance and Corporate Services agreed some wording relating to a specific investment should be removed.

In response to a member question, the Director of Finance and Corporate Services said the Independent Members would not have voting rights on the Board.

IB19 COMMERCIAL STRATEGY UPDATE

The Director of Finance and Corporate Services gave a summary of the report, highlighting the areas which had been updated since the previous meeting. These included additional paragraphs covering the legislative and legal framework and risk management. He said the Commercial Strategy was scheduled to go to the next Full Council meeting.

Councillor Khan said he still thought the Strategy was wide of the mark and questioned where the vision was of where the Council was going to take commerciality as a whole. On a point regarding whether it was an Investment or Commercial Strategy, the Director of Finance and Corporate Services said it had deliberately been called a Commercial Strategy to avoid confusion with treasury management, which dealt with day-to-day investment.

Members discussed staffing levels with regard to the Council's commercial work. The Director of Finance and Corporate Services said officers used expert professional advice, for example solicitors and land agents, as required and suggested that should staffing be increased, a lower level resource might be of more benefit than a new managerial post.

The Chair said it was apparent that the Liberal Democrat members of the Investment Board had strong views and invited them to crystallise those views into a paper to be presented to the next Investment Board meeting, which could be considered in light of the council's new corporate strategy.

The Chair proposed the Strategy be accepted in its current format, subject to additional wording covering the risk management framework.

In response to a member question regarding regular reviews of the Strategy, the Director of Finance and Corporate Services said the Strategy would need to be approved annually so would be going to Full Council in February 2020 as well as in December 2019.

AGREED to accept the Commercial Strategy, subject to the addition of wording regarding the Risk Management Framework, and recommend approval to Council.

IB20 EXCLUSION OF THE PUBLIC AND PRESS

AGREED that under section 100I of the Local Government Act 1972 the public be excluded for the following item of business on the grounds that it involved the likely disclosure of exempt information as defined in paragraph 3 part 1 of Schedule 12A of the Act.

IB21 MINIMUM REVENUE PROVISION (MRP)

The Director of Finance and Corporate Services provided a brief explanation of Minimum Revenue Provision and highlighted the key points in the report.

Councillor Bagnall asked a question about housing versus commercial land value. It was agreed that a “worst case” scenario would also be calculated.

The Board noted the report.

IB22 **INVESTMENT OPPORTUNITY 2**

The Director of Finance and Corporate Services summarised the report. He said the recommendation regarding funding of the purchase costs would be changed due to recent advice received and that they would instead be capitalised.

Members asked questions around contingency plans in the event of tenant failure and about the funding model for the purchase. Interest rates and inter-authority borrowing were discussed.

The interest/repayment split was considered to be the most important issue to resolve. Members were informed that whatever the split they decided on, it could be changed at very short notice.

It was noted that the Phase 2 purchase price may increase depending on the tenants secured.

Councillor Khan requested the confidential QC advice received by officers was circulated to members of the Investment Board.

AGREED to recommend to Cabinet:

- a. That the purchase as set out in the report is agreed; and
- b. That the purchase is to be funded 80% interest only and 20% on a repayment basis.
- c. The intention to recommend in the future that the Council exercise the pre-emption option, subject to due diligence.
- d. That the purchase is made as a direct investment by Uttlesford District Council.
- e. That the purchase costs as set out in paragraph 44 of the report are capitalised.

The meeting ended at 6.55pm.

Committee:	Investment Board	Date:
Title:	Recruitment of Independent Members to the Investment Board	Thursday, 23 January 2020
Report Author:	Adrian Webb, Director - Finance and Corporate Services awebb@uttlesford.gov.uk Tel: 01799 510421	

Summary

1. This report attaches at Appendix One the job description and person specification for the two roles of Independent Members for the Investment Board.

Recommendations

2. To comment on the content of the job description and person specification.

Financial Implications

3. None

Background Papers

4. The following papers were referred to by the author in the preparation of this report and are available for inspection from the author of the report.

Situation

5. At the last meeting, members requested sight of the job description and person specification for the role of Independent Member of the Investment Board.
6. Attached at Appendix One is the document. Once agreed the advert will be revised based on the content and placed on the UDC website and non-executive director website.

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UTTLESFORD DISTRICT COUNCIL

JOB DESCRIPTION

Designation: Investment Board Independent Member

OVERALL PURPOSE OF JOB

1. To advise fellow members of the Investment Board on the appropriateness of commercial investment opportunities
2. To advise on the range of asset classes contained within the portfolio and on potential disposals from the portfolio

KEY RESPONSIBILITIES

1. To bring innovation, experience and commercial acumen to the Board and drive forward the agenda.
2. To constructively challenge proposals to ensure that the decisions made by the Board achieve the best outcome.
3. To maintain a level of knowledge that will enable them to ask objective questions.
4. To scrutinise investment and financial performance and satisfy themselves as to the integrity of financial and other information, and that relevant controls and systems of risk management are robust and defensible.
5. To help develop proposals on priorities, risk mitigation, values, standards and strategy.
6. To ensure the performance data provided to the Board is sufficient to enable strategic decisions to be made.
7. To Chair the Investment Board meetings

OPERATING ENVIRONMENT

The post holder will be expected to follow the Council's policies and procedures and act in a flexible, co-operative and professional manner at all times, assisting colleagues to maintain an effective and efficient service delivered economically. The post holder will also be expected to operate within corporate standards of performance and security.

PERSON SPECIFICATION/SELECTION CRITERIA

The following person specification lists the criteria that have been agreed for the person we are seeking to recruit. These criteria will be used for both the shortlisting of applications and at the interview stage. **It will help your application, therefore, if you can provide information on the application form of your experience ability to meet the criteria** either through your previous employment, social activities or in the home.

1 Knowledge

- a) Knowledge of developing and maintaining a commercial property portfolio
- b) Knowledge of how Investment Boards work in a public sector organisation
- c) Sources of funding available to local authorities
- d) The role of independent members and/or non-executive directors

2 Skills

- a) Ability to combine a confident approach in tackling complex issues with an approachable personal style to ensure the board operates at its most effective level
- b) Able to assist with the development other Board members
- c) Strong business acumen.
- d) Ability to apply specialist knowledge and experience appropriately.
- e) Demonstrable abilities in developing and maintaining constructive professional relationships with other board members and key stakeholders through excellent interpersonal skills, including effective team working and clear communication skills.
- f) Ability to analyse and interpret complex data.
- g) Strong judgement skills and the ability to participate in making difficult evidence-based decisions, leading discussion and decision-making when required

3 Experience

- a) Extensive experience of operating at a senior level, preferably as a non-executive director or similar, in a complex commercial or service organisation.
- b) Experience of providing strategic direction and governance along with a thorough understanding of how boards can add value.
- c) Experience of acquiring/managing commercial property portfolios.
- d) Previous work in a commercial environment.

5 Circumstances

- a) Able to attend meetings at short notice

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