

**INVESTMENT BOARD held at COUNCIL CHAMBER - COUNCIL OFFICES,
LONDON ROAD, SAFFRON WALDEN, CB11 4ER, on THURSDAY, 15
FEBRUARY 2024 at 6.00 pm**

Present: Councillor N Hargreaves (Chair)
Councillors G Bagnall, C Criscione, J Evans, R Gooding,
N Gregory, D McBirnie and G Sell

Officers in attendance: A Webb (Strategic Director of Finance, Commercialisation and
Corporate Services), C Gibson (Democratic Services Officer)
and N Wittman (Director of Digital Innovation and
Commercialisation)

Also present: R White (Independent Member).

IB15 APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

Despite numerous attempts made to enable Councillor Reeve to join the meeting via Zoom, technical problems meant that he could not engage in the meeting. He subsequently sent apologies and left the meeting.

It was agreed in the absence of Councillor Reeve, that Councillor Hargreaves would take the Chair.

Richard White declared that his company had consulted on issues with Woking BC and were considering Life Science Funds on the continent.

IB16 MINUTES OF THE PREVIOUS MEETING

The minutes of the meeting held on 16 November 2023 were approved.

IB17 UDC PROPERTY PORTFOLIO Q3 2023/24 REPORT

The Strategic Director summarised the report prepared by the Asset Management Team. He said that due to timing issues not all information was available on Chesterford Research Park (CRP) but would be circulated when available. The valuation for the overall portfolio had decreased by £6.9m in the quarter; valuation of £269.1m compared to an acquisition price of £250.7m.

He said that in respect of building works at CRP, the contractor had gone into administration having completed the ground works and that the same contractor had been due to complete snagging works at Moog Controls Ltd, Tewkesbury. To the best of his knowledge the occupancy level at CRP had not changed and all rents continued to be paid on time. The Portfolio valuation and Financing arrangements (pages 24 and 25) were explained by the Strategic Director.

In response to a question from a Member, the Strategic Director agreed to provide a breakdown of the running costs at CRP. He also said that it would not be possible to benchmark CRP against similar Life Science parks as information was commercially sensitive but that the investor universe in Life Science had reduced.

The Strategic Director outlined the various borrowing rates of interest as detailed on page 26 and explained the two loans from the PWLB in September 2022, around the time of the budget introduced by the then Chancellor. He said that the Council's draft budget was assuming average interest rates at 5.36% and that inter-authority rates in February and March were always higher at the end of the financial year due to lower numbers of residents paying Council Tax, most still pay in 10 monthly instalments starting in April each year. He explained the logic behind the majority of short-term loans maturing between May and September 2024.

IB18 INDEPENDENT MEMBER RECRUITMENT

The Strategic Director outlined his report proposing to fill the Independent Member vacancy on the Investment Board.

Members agreed that an in-person interview panel be set up consisting of Councillors Criscione, Gregory and N Reeve (or Hargreaves if Reeve not available as he was nominated in his absence). The information in respect of the applicants would also be shared with Richard White and Alan Jones (the Aspire Non-Executive Director). The Strategic Director confirmed that he would be finalising an advert. The outcome of the interview process will be a recommendation to Cabinet to appoint the successful person to the Investment Board.

AGREED that Members appoint Councillors Criscione, Gregory and N Reeve to form the interview panel.

IB19 COMMERCIAL STRATEGY 2024 - 2029

The Strategic Director introduced the item. He said that the vision had changed to reflect the changes introduced by Government and CIPFA but that most of the report was a repeat of previous quarterly narratives. He referred to the Ethical Investment Policy (page 206 – 208) and corrected a typo from “comact” to read “compact”; he also referenced comments made at Scrutiny Committee.

There was some discussion around the CIPFA Prudential Code 2021 (the Code), Public Works Loans Board (PWLB) and Minimum Revenue Provision (MRP). The Strategic Director said that he would update the performance section of the Strategy to include details of the annual appraisal including the five criteria used in the 2023/24 report. It was agreed that for subsequent years Members would approve the criteria to be used in the calculations He confirmed that the Ethical Investment Policy did not extend to disposals and that any sales

had to be for best price or referred to the Secretary of State for permission if this was not the case.

In response to a question relating to paragraph 36 of the report in respect of the portfolio yield, the Strategic Director stated that loans had not been specifically secured on one asset and that they were portfolio funding.

The report was noted.

IB20 EXCLUSION OF PUBLIC AND PRESS

The Chair proposed the exclusion of the public and press and the meeting:

AGREED that under section 1001 of the Local Government Act 1972 the public be excluded for the following items 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 COMMERCIAL PORTFOLIO - ANNUAL REVIEW

The Strategic Director outlined the report which was then discussed by Members.

Councillor Gregory left the meeting at 7.05 pm.

IB22 SALE OF A COMMERCIAL PORTFOLIO ASSET

The Strategic Director outlined the report which was then discussed by Members.

Richard White left the meeting at 8.05 pm.

AGREED that the Investment Board provided feedback to the Cabinet and the Council on the discussion and that paragraph (c) of the proposed recommendations to Council would be removed.

Meeting closed at 9.10 pm.