

South Somerset District Council

Minutes of a meeting of the **District Executive** held at the **Council Chamber, Brympton Way, Yeovil, Somerset. on Thursday 7 June 2018.**

(9.32 am - 10.52 am)

Present:

Councillor Ric Pallister (Chairman)

Henry Hobhouse	Peter Seib
Val Keitch	Angie Singleton
Jo Roundell Greene	Nick Weeks
Sylvia Seal	

Also Present:

Tony Lock	Martin Wale
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Officers

Alex Parmley	Chief Executive
Clare Pestell	Director (Commercial Services & Income Generation)
Martin Woods	Director (Service Delivery)
Paul Fitzgerald	Section 151 Officer
Angela Watson	Monitoring Officer
Becky Sanders	Case Services Officer (Support Services)
Nicola Hix	Lead Specialist (Finance)
Kelly Wheeler	Case Services Officer (Support Services)

Note: All decisions were approved without dissent unless shown otherwise.

1. Minutes of Previous Meeting (Agenda Item 1)

The minutes of the District Executive meeting held on 3rd May 2018, copies of which had been circulated, were taken as read and, having been approved as a correct record, were signed by the Chairman.

2. Apologies for Absence (Agenda Item 2)

Apologies for absence were received from Councillors Peter Gubbins and Graham Middleton.

3. Declarations of Interest (Agenda Item 3)

There were no declarations of interest made.

4. Public Question Time (Agenda Item 4)

There were no questions from members of the public present.

5. Chairman's Announcements (Agenda Item 5)

The Chairman advised that he had no announcements.

6. Review of the Regulation of Investigatory Powers Act 2000 (RIPA) (Agenda Item 6)

The Portfolio Holder summarised the report to members, advising that the timing of the review was unusual given the recent review. He advised that some small changes to the policy were required following some recommendations by the Investigatory Powers Commissioner's Office (IPCO). He advised that these changes should provide some clarity to cover how the policy would be used.

The Director (Service Delivery) noted that Scrutiny Committee had questioned why little use of the RIPA powers had been made to date. He explained that through various forms of notification and use of information from other sources, that it was only on rare occasions that the powers needed to be used.

At the conclusion of the debate, Members were content to note the Council's use of RIPA powers and approve and adopt the revised Regulation of Investigatory Powers Act 2000 Policy and Procedures Guide attached at Appendix 1 to the agenda report.

RESOLVED: That District Executive agreed to:-

- a. note the Council's use of RIPA powers;
- b. approve and adopt the revised Regulation of Investigatory Powers Act 2000 Policy and Procedures Guide attached at Appendix 1 of the agenda report.

Reason: To agree to update and adopt the Council's RIPA Policy and Procedures Guide.

7. Establishing Special Purpose Vehicles for SSSC Investments (Agenda Item 7)

The Portfolio Holder for Property, Climate Change and Income Generation introduced the report and noted that it contained details on the way that investments could be handled, rather than to control what investments could be made.

The Leader and Portfolio Holder noted there had been a good discussion at Scrutiny Committee, and Scrutiny had recommended some amendments to the report in order to give more clarity to some elements. The changes were presented to members on screen, and after time to consider, members agreed to the additional and revised wording of some paragraphs, the title, and also rewording of recommendation A.

In response to questions, the Director for Commercial Services and Income Generation advised that an extra step had been included to ensure that trading was lawful and to clarify the governance processes on investments opportunities which were commercially sensitive and time limited. She advised that the Scrutiny Committee comments were useful to fine tune the policy, advising that the policy relied on the existing governance of the Investments Assessment Group (IAG).

At the conclusion of the debate, Members were content to approve the recommendations, as amended, and confirm all the suggested amendments to the report including;

- Amended title
- Revised wording for recommendation A
- Additional wording at paragraphs 10, 16 and two additional paragraphs after paragraph 13 to collectively provide more clarification regarding the process
- A revised risk matrix at paragraph 38

(For clarity the revised report, as amended and agreed, is published on the website as a supplement for this meeting)

RESOLVED: That District Executive:-

- a. Agreed in principle to the setting up of limited companies and/or limited liability partnerships where these are required to discharge Council functions and comply with the approved Investment Assessment Group governance for investments and income generation projects that are either, commercially sensitive, include confidential matters or are time-limited.
- b. Delegated authority to the Chief Executive in consultation with the Council Leader as part of the Investment Assessment Group (IAG) approval process to give effect to a decision to set up such companies or partnerships, including but not limited to:
 - selecting a company/LLP name
 - approving Articles of Association
 - approving Shareholder or Partnership Agreements
 - appointing individuals to positions of responsibility within the company or LLP
- c. Recommend to Full Council that Part 3 Section 4 of the Constitution be updated to identify that such matters are the responsibility of District Executive but to reflect the above delegation.

Reason: To enable the Council to lawfully trade in future commercial investment opportunities.

8. Commercial Strategy and Investments Progress Report (Agenda Item 8)

The Portfolio Holder for Property, Climate Change and Income Generation introduced and summarised the report. He noted that the investments made were making the expected financial return, and that many other investment opportunities had been considered but had been rejected for a variety of reasons arising in the assessment and due diligence process.

He advised that the borrowing used to date for investment properties had been through internal borrowing and there would be additional income from interest and this would be detailed in routine financial reports.

The S151 Officer advised that both treasury investment and commercial investment performance will be included in routine in year and end of year financial reports.

The Director for Commercial Services and Income Generation highlighted elements in the report and advised that the portfolio of assets and disposals would be reviewed. She explained that funds from land and property disposals would be used to fund other investment opportunities.

CONFIDENTIAL – Exclusion of the Press and Public

In accordance with Section 100A(4) of the Local Government Act 1972 (as amended), the Committee resolved that the press and public be excluded from the following items in view of the likely disclosure of exempt information as described in Paragraph 3 of Part 1 of Schedule 12A to the Act, i.e. "Information relating to the financial or business affairs of any particular person (including the authority holding that information).

During discussion, the Director and Section 151 Officer responded to points of detail, including those raised at Scrutiny Committee, and explained why some information regarding the property investments needed to be confidential. The Director also clarified that where possible, investments would be purchased within South Somerset, however, for the purposes of a balanced portfolio and spreading risk it was considered that having some investments outside of South Somerset could be positive.

At the conclusion of the discussion, Members were content to note the progress in delivering the Commercial Strategy and in particular, the acquisition of commercial investments and in securing income from our existing assets.

RESOLVED: That the District Executive noted the progress in delivering the Commercial Strategy and in particular, the acquisition of commercial investments and in securing income from our existing assets

Reason: To update members on progress with the Commercial Strategy and Investments made since the agreement by Council of the Commercial Strategy in August 2017.

9. District Executive Forward Plan (Agenda Item 9)

RESOLVED: That the District Executive:-

1. approved the updated Executive Forward Plan for publication as attached at Appendix A, with the following amendments;
 - Corporate Grants report 2017 / 2018 – August 2018
 - Update regarding Broadband in South Somerset – Sept 2018
2. noted the contents of the Consultation Database as shown at

Appendix B.

Reason: The Forward Plan is a statutory document.

10. Date of Next Meeting (Agenda Item 10)

Members noted that the next scheduled meeting of the District Executive would take place on Thursday 5th July 2018 in the Council Chamber, Council Offices, Brympton Way, Yeovil commencing at 9.30 a.m.

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Chairman

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Date