

Decision Report - Executive Decision

Forward Plan Reference: FP/23/09/07

Decision Date – 4 October 2023

Key Decision – yes



Commercial Investment update

Executive Member(s): Lead Member for Economic Development, Planning & Assets

Local Member(s) and Division: All

Lead Officer: Oliver Woodhams, Service Director – Strategic Asset Management

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Summary / Background

- 1.1 The Executive endorsed the Medium-Term Financial Strategy for 2024/25 to 2026/27 at its meeting on 10 July 2023. This Strategy includes an early review of 17 key areas that are the main building blocks of the budget and financial framework. One of these key areas is commercial investments where the commitment was a review of the current portfolio and identification of opportunities for disposals and reduction of risks.
- 1.2 The Council has a large value of assets held for commercial investment purposes in accordance with its Property and Commercial Investment Strategies. The Council's practices and procedures offer a system and process which reinforce and protect the income (yield) as best as possible from the commercial investment portfolio. These assets require continuous active management to deliver better financial outcomes. All entail commercial relationships with external third parties. Dealing with these frequently involves negotiations where maintaining confidentiality and being able to respond quickly to economic circumstances is a critical requirement for achieving a better outcome for the Council. This report covers an update in that category. For that reason, all of the detail, and the specific recommendations are contained in a confidential Appendix A.

Recommendations

2. That the Executive agrees:
 - a. To exclude the press and public from the meeting where there is any discussion at the meeting regarding exempt or confidential information (as set out in Appendix A);
 - b. That Appendix A be regarded as exempt information and be treated in confidence, as the case for the public interest in maintaining the exemption outweighs the public interest in disclosing that information;
 - c. To approve the recommendations set out in Appendix A.

Reasons for recommendations

3. The information in Appendix A is exempt information because it is considered to fall within paragraph 3 of Schedule 12A. "information relating to the financial of business affairs of any particular person (including authority holding that information). The public interest test is then applied and in this instance, it is considered that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

Other options considered.

4. The proposals set out in this report are in accordance with the agreed Medium Term Financial Strategy. Please see Appendix A for further details regarding all options and recommendations.

Links to Council Plan and Medium-Term Financial Plan

5. These proposals are in accordance with the early review of 17 key areas as part of the agreed Medium Term Financial Strategy. Further details are set out in Appendix A.

Financial and Risk Implications

6. Specific financial and risk considerations, implications and mitigations are detailed in Appendix A.

Legal Implications

7. Specific legal implications of the recommendations are detailed within Appendix A.

HR Implications

8. This matter will require input and resource from numerous Council services and the details of these implications and considerations are detailed within Appendix A.

Other Implications:

Equalities Implications

9. There are not considered to be any equalities impacts from this issue as it pertains to Commercial Investments and none of the assets involved are used operationally by the Council nor are they community facilities.

Community Safety Implications

10. There are no community safety implications.

Climate Change and Sustainability Implications

11. Details of climate and sustainability implications are within the appendices.

Health and Safety Implications

12. There are no Health and Safety implications.

Health and Wellbeing Implications

13. There are no Health and Wellbeing Implications.

Social Value

14. Not applicable.

Scrutiny comments / recommendations:

15. These proposals were considered at the Scrutiny Committee for Corporate and Resources on 29th September 2023.

Background

16. Our commercial investment portfolio is managed in accordance with the Council's Financial Regulations and the Council's established internal procedures, including (as appropriate) decision-making delegations, project and programme management frameworks, risk management processes and established arrangements for asset management.

17. As outlined above, specific details regarding the proposals are set out in Appendix A.

Background Papers

18. There have been various reports on commercial investments to the former district councils . Appendices are noted below.

Appendices

19. Appendix A - Confidential Appendix: Briefing Report

Report Sign-Off (if appropriate)

	Officer Name	Date Completed
Legal & Governance Implications	David Clark / Jill Byron	22.09.23
Communications	Chris Palmer	N/A
Finance & Procurement	Nicola Hix	12.09.23
Workforce	Chris Squire	N/A
Asset Management	Oliver Woodhams	12.09.23
Executive Director / Senior Manager	Jason Vaughan	12.09.23
Strategy & Performance	Alyn Jones	Sent: no comments received
Executive Lead Member	Cllr Ros Wyke	12.09.23
Consulted:	Councillor Name	
Local Division Members	Cllr Caroline Ellis Cllr John Hunt	Sent (12.09.23): no comments received
Opposition Spokesperson	Cllr Mark Healey	20.09.23

	Cllr Mandy Chilcott Cllr David Fothergill	
Scrutiny Chair	Cllr Bob Filmer	Briefing: 27.09.23