

## Decision Report – Key Delegated Officer

### Decision

Special Urgency

Decision Date – 27/11/2023

Key Decision – Yes



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## Review of Advisory Services for Non-Treasury Investments

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

In conjunction with

Executive Member: Cllr. Ros Wyke – Lead Member for Economic Development, Planning and Assets

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### Summary / Background

1. This report recommends the appointment of a commercial property adviser to support the review of the investment property portfolio and the financial strategy established for the portfolio by the Somerset Council Executive at its meeting on 8<sup>th</sup> November 2023.
2. Details of the proposed appointment and estimated financial impact are set out within the confidential Appendix A.

### Recommendations

3. **That the Director of Strategic Asset Management in conjunction with the Lead Member for Economic Development Planning and Assets**
  - a. Agrees to appoint a commercial property adviser to support the review of the investment property portfolio and the financial strategy established for the portfolio by the Somerset Council Executive at its meeting on 8<sup>th</sup> November 2023 including any disposal. The appointment to include the potential of further review work with a cap and conditions as set out in Appendix A.
  - b. Agrees the recommendations in Appendix A - to be regarded as exempt information and to be treated in confidence, as the case for the public interest in maintaining the exemption outweighs the public interest in disclosing that information.

This decision is made under the delegation provided by the Somerset Council Executive decision on the 8<sup>th</sup> November 2023 (item 6d), where the Executive: *“delegated the appointment of external agents to the Director of Strategic Asset Management, in conjunction with the Lead Member for Economic Development, Planning and Assets”*.

The Lead Member for Economic Development, Planning and Assets has been consulted on and supports the recommendations set out in the confidential appendix to this report. The Leader of the Council and the Chair, Scrutiny Committee – Corporate & Resources have agreed the use of special urgency to consider the decision recommendations and the use of urgency to enable the immediate implementation of the decision.

### **Reasons for recommendations**

4. At its meeting of 8th November 2023, the Somerset Council Executive set a strategy to dispose of the investment property portfolio, delegating the appointment of external agents to the Director of Strategic Asset Management and establishing a Property & Investment Executive sub-committee to oversee the disposal programme. A key objective of the strategy will be to achieve the best sale prices reasonably obtainable whilst supporting the council's medium term financial strategy, over a multi-year period. This will require the services of highly capable specialist investment advisors.
5. The accompanying Confidential Appendix A contains commercially sensitive information relating to the Council's financial and business affairs. Officers therefore recommend that this is treated as exempt information. "Exempt information" is defined by Section 100 of the Local Government Act 1972, by Schedule 12A to that Act. The estimated cost and details of appointment are considered to be commercially confidential to ensure that the Council obtains the best market value for any future appointments, and to protect the confidential commercial interests of the supplier.

### **Other Options Considered**

6. See Appendix A

### **Links to Council Plan and Medium-Term Financial Plan**

7. The proposed appointment will enable the Council to achieve the best sale prices reasonably obtainable from the investment portfolio to support the Medium-Term Financial Plan and, in turn, support the delivery of the Somerset Council Plan 2023-2027 priorities.

### **Consultations and co-production**

8. The Lead Member for Economic Development, Planning and Assets has been consulted on the recommendations set out in this report. The Opposition Spokesperson and Chair of the Corporate & Resources Scrutiny Committee have also been consulted on the contents of the report and were comfortable with the decision to appoint agents to have professional advice during the process.

## **Financial and Risk Implications**

9. Financial Implications are set out in confidential Appendix A. The Property & Investment Executive Sub-Committee will receive regular reports on the risks associated with the investment property portfolio and will review and monitor the performance of the appointed advisors.

## **Legal Implications**

10. There are no legal implications

## **HR Implications**

11. There are no specific HR implications relating to this appointment.

## **Other Implications**

### **Equalities Implications**

12. Having had due regard to the Public Sector Equality Duty, we do not foresee a disproportionate positive or negative impact from this decision.

### **Community Safety Implications**

13. There are none

### **Climate Change and Sustainability Implications**

14. There are none.

### **Health and Safety Implications**

15. There are none.

### **Health and Wellbeing Implications**

16. There are none.

### **Social Value**

17. There are none.

## **Scrutiny comments / recommendations:**

18. The proposed decision has not been considered by a Scrutiny Committee however a Task & Finish Group of the Corporate Resources Scrutiny committee

have been briefed in detail about the overall plans and proposed approach to deliver the strategy set by Executive for the investment property portfolio.

## **Background Papers**

19. Confidential Appendix A
  
20. Financial Strategy agreed by Executive on 8<sup>th</sup> November Item 7.  
<https://democracy.somerset.gov.uk/mgChooseDocPack.aspx?ID=2378>

## Report Sign-Off

	Officer Name	Date Completed
Legal & Governance Implications	David Clark	22/11/2023
Communications	Peter Elliott	23/11/2023
Finance & Procurement	Jason Vaughan	24/11/2023
Workforce	Alyn Jones *	23/11/2023
Asset Management	Oliver Woodhams	
Executive Director / Senior Manager	Jason Vaughan	24/11/2023
Strategy & Performance	Alyn Jones	23/11/2023
Executive Lead Member	Cllr Ros Wyke – Lead Member for Economic Development, Planning and Assets	24/11/2023
<b>Consulted:</b>	Councillor Name	
Local Division Members	N/A	
Opposition Spokesperson	Cllr Mark Healey for Prosperity, Assets and Development	22/11/2023
Scrutiny Chair	Cllr Bob Filmer – Scrutiny Committee – Corporate & Resources	24/11/2023