

Minutes of the Meeting of the Investment Advisory Panel held on 2 July 2024 at 7.00 pm

Present: Councillors John Cecil, George Coxshall, Aaron Green, Martin Kerin, Steve Liddiard and Neil Speight

Apologies: None

In attendance: Dawn Calvert- Chief Financial Officer S.151
Mark Bowen- Deputy Monitoring Officer
Rob Large- Programme Director- Asset Disposals

Before the start of the meeting, all present were advised that the meeting was being live streamed and recorded.

1. Nominations For Chair

Members nominated Councillor Kerin as chair no other nominations were provided. Members unanimously voted in favour of the appointment to chair.

2. Apologies for Absence

Apologies were received from John Cooper. No further apologies were received.

3. Minutes

Minutes of the meeting held on the 27 February 2024 were approved as an accurate record of the meeting.

4. Items of Urgent Business

There were no urgent items of business.

5. Declarations of Interest

There were no declarations of interest.

6. Overview of Investment Portfolio- Verbal Update

The S151 officer provided a verbal update on the Investment Portfolio. Advising the council has several investments and divestments that are built into the Medium-Term Financial Strategy (MTFS) and the exceptional financial support model. The council is on track on terms of what it's selling

and has received £513 million last year from divestments. This was predominantly from the sale of Toucan, JCCLA. The money has been used to pay back loans the council had.

The panel were informed that this financial year has approximately £90 million in divestments. Majority of this will come from selling the council's share in the Wind Farms. Unfortunately, the process of selling the shares has been delayed, however an agent has been appointed to assist with the sale, therefore the money should be received later in the year. Approximately 20 million (of the 90 million) in value that amount to seven or eight divestments are being reviewed and advice has been sought to find out if they can be sold, and how as some are low in value.

Members commented that the information was vague, and they would have preferred a report with further detail. Members questioned the urgency around the wind farm sales and asked how the council could budget without timescales. The S151 officer reassured members there is a detailed plan that has been published as part of the MTFs. In addition to this a transparent report about fees will be provided in October to Cabinet and it will be published.

Members questioned what the costs were to recover the £530 million following the completion of the solar farm dispersal. The panel were advised the correct figure is £510 million recovered from the sale of Toucan. With approximately £40 million held by the administrators. Some of the funding will be released imminently. The fees are split into two categories. This includes fees incurred by the council estimated at £11 million up to the end of 2024. In addition to this there are fees that are paid by the administrators which will be deducted from the sale proceeds. Therefore, this won't be a direct cost to the council.

Action: Section 151 officer to check the specific costings and feedback to members.

The Chair questioned the divestment timelines for the smaller amounts and the estimate of how much it would cost to recover these.

The panel were advised that the investment profile cover 2024- 2027 and includes investments in Redwood and JLCJCF, which is approximately £10 million in total. With an estimated £45 million left in 7-8 tail end investments, that are due 2025, 2026-2027. The financial model will be reviewed, along with weighing up the cost of each sale.

The Chair requested an update on investments be added to the work programme for the November meeting.

Action: S151 to provide a written report on Overview of Investment Portfolio.

Members questioned what updates have been provided to Cabinet.

The panel were advised that Cabinet have received an update on fees in March 2024. The schedules for divestments are included in the budget report that was presented in February 2024, some of these details would have been included in the output report that Cabinet received in June 2024.

Members questioned how the agent for the sale was selected and whether there was a procurement process. Members were reassured there was a selection process and due diligence was undertaken to get a quality provider.

7. Asset Disposals Programme Update

Members questioned whether this item needed to be exempt, and the Programme Director of Asset Disposals advised this was a mistake and it was not exempt.

The Programme Director for Asset Disposals presented the report. Members asked for further clarification on section 2.2 in the report in relation to the sentence stating Asset Disposal for the financial year 2024-2025 were completed at 42.8 million forecasts this compares with the most recent updated forecast of 35.65 million. The Panel were advised that there was a typo and apologies were provided. The Programme Director for asset disposals confirmed it should say financial year 2023-2024.

Members questioned the overall forecast around property, stating that the figures were exceeded last year and questioned whether we would get to the target figure or exceed for this financial year. Members were reassured that the team were working very hard. Some properties have less value than the original estimates provided, where there may be difficulties this will be rolled over to the next year. The team are working hard on due diligence on forecasting for properties for next year, therefore feeling confident the target will be met towards quarter three and quarter four.

In addition to this the July Cabinet will have a list of properties in the public domain with valuation advice and guide price.

Members questioned whether due diligence had been completed as there was an issue last year with a piece of land that had a warranty deed, and this wasn't picked up. The Programme Director confirmed checking for warranty deeds is a part of due diligence and thanked the councillor for their input and helpful local knowledge.

8. Litigation and Interpath- Verbal Update

This item was held in a closed session.

9. Work Programme

The Chair requested a written report on Investment Portfolio updates from the S151 officer be added to the work programme in November 2024.

Members suggested that there be more meetings in the future. It was agreed that it can be done in the form of extra briefing notes where possible, as much of the information will be discussed at Cabinet meetings.

The Chair thanked members and officers for their time.

The meeting finished at 20.11.

Approved as a true and correct record.

CHAIR

DATE

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