

# Revolving Investment Fund Committee

Thursday, 27 November 2014

**Attendees:** Councillor Tim Young (Member), Councillor Annie Feltham (Member),  
Councillor Anne Turrell (Member)

**Substitutes:** No substitutes were recorded at the meeting  
Councillor Havis attended in her capacity as Chairman of the Trading Board  
Also in attendance: Councillor Davies, Councillor Jarvis

## Publication/Call in Arrangements

Date Published 1 December 2014

Date when decisions may be implemented (unless 'called in') 5pm 8 December 2014  
NB

All decisions except urgent decisions and those recommended to Council may be subject to the Call-in Procedure. Requests for the scrutiny of relevant decisions by the Scrutiny Panel must be signed by at least ONE Councillor AND FOUR other Councillors to countersign the call-in form OR to indicate support by e-mail. All such requests must be delivered to the Proper Officer by no later than 5pm on Monday 8 December 2014.

### 1 Appointment of Chairman

*RESOLVED* that Councillor Turrell be appointed as Chairman of the Trading Board for the 2014-15 municipal year.

### 2 Appointment of Deputy Chairman

*RESOLVED* that Councillor Smith be appointed as Deputy Chairman for the 2014-15 municipal year.

### 3 Revolving Investment Fund

Ian Vipond, Strategic Director, Commercial and Place, briefly introduced the concept of the Revolving Investment Fund and drew the Committee's attention to the report to Cabinet on 30 July 2014. This explained the purpose and functions of the Fund and the Committee in detail and contained the Committee's terms of reference. He explained that the Revolving Investment Fund was a ring fenced fund made up of capital receipts from a number of key assets. Its purpose was to generate income through funding

income producing schemes and by doing so, help support the Council's front line services and also help build the economy of the borough.

It was noted that in the terms of reference Councillor T. Young's Portfolio title needed to be corrected to Portfolio Holder for Community Safety, Licensing and Culture.

*RESOLVED* that the contents of the introduction to the Revolving Investment Fund be noted.

#### **4 Sheepen Place Office Development Proposal**

The Committee received a report from the Head of Commercial Services on a proposal to use the Revolving Investment Fund to invest in the development of a new office building on Sheepen Road car park. Whilst the financial detail and formal decision making were contained in the report and business case in part B of the agenda, the report set out the main elements of the proposal.

Fiona Duhamel, Economic Growth Manager, explained that the proposal fitted in with the aims of the Revolving Investment Fund as it looked to divert capital receipts into an income generating opportunity. The proposal had emerged following considerable feasibility work, which had been funded through the New Homes Bonus. The Council was working with a pre-let tenant for an office building on the southern part of the site and it was also proposed that planning permission be sought for a further office building on the western part of the site. The proposal was in line with the car parking strategy which took account of the impact of the opening of the new Park and Ride facility.

*RESOLVED* that the contents of the report be noted.

#### **REASONS**

The RIF was established to recycle capital receipts into projects that could deliver a number of Council objectives. The RIF can be used to support wider economic growth targets and deliver infrastructure supporting regeneration. In addition it is envisaged to recycle funds by investing in assets that deliver high income revenue returns which supports the Council maintain quality front line services. The Sheepen Road proposal delivers on a number of these objectives by stimulating economic growth in the office sector, expanding jobs in Colchester and providing a long term sustainable return through a robust investment case.

Where the Council wishes to secure high levels of future income there is a need to carry out investment decisions in a more commercially focused way based on a clear business case. The Business case is attached to the Head of Commercial Services' report on Part

B of the agenda.

### *ALTERNATIVE OPTIONS*

The Council can consider a number of ways of using capital receipts, but it has established the RIF as a means of revolving funds for reinvestment to meet its objectives. The Committee needs to decide if the Sheepen Road proposal is the right opportunity for such investment

## **5 Sheepen Place Office Development Proposal**

**The Committee resolved under Section 100A(4) of the Local Government Act 1972 and in accordance with the Local Authorities (Executive Arrangements)(Meetings and Access to Information)(England) Regulations 2012 to exclude the public from the meeting for the following items as they involved the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972.**

**This minute is not for publication by virtue of paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 (Information relating to the financial or business affairs of any particular person (including the authority holding that information)).**

## **6 Revolving Investment Fund**

- This report is not for publication by virtue of paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 (financial / business affairs of a particular person, including the authority holding information).