

**REVOLVING  
INVESTMENT FUND  
COMMITTEE**

**8 March 2016**

*Present:-* Councillors Feltham, Frame T. Young

*Substitutes:-* Councillor Smith for Councillor Cory  
Councillor Havis attended as an observer in her capacity as Chairman of the Trading Board

*Also in attendance:-* Councillor Jarvis

**32. Minutes**

*RESOLVED* that the minutes of the meeting held on 1 February 2016 be confirmed as a correct record.

**33. Revolving Investment Fund – Financial Update**

The Head of Commercial Services submitted a report a copy of which had been circulated to each Member.

Steve Heath, Finance Manager, presented the report to the Committee. The Revolving Investment Fund account was broadly in balance with a manageable shortfall of £135K forecast by end of 2018/19. Ian Vipond Strategic Director, stressed that one of the aims of the Revolving Investment Fund was to increase the Council's commercial income, and the Fund should have generated an income of almost £1 million by 2018/19.

*RESOLVED* that the latest financial position for the Revolving Investment Fund be noted.

**REASONS**

Cabinet agreed to create the Revolving Investment Fund (RIF) as a way to recycle capital receipts into profitable high income producing development schemes and regeneration/economic growth projects. The Head of Commercial Service's report sets out the updated financial position of the RIF and proposes allocations of funding to specific projects.

**ALTERNATIVE OPTIONS**

It would be possible to consider different allocations to projects. However, the proposals in the Head of Commercial Services report represent a considered view of the cost to deliver

a number of projects and income budget targets.

#### **34. The Acquisition of Land and Building Known as Seven Saints Farm, Severalls Lane, Colchester**

The Head of Commercial Services submitted a report a copy of which had been circulated to each Member.

Fiona Duhamel, Economic Growth Manager, presented the report to the Committee. This was an opportunity for a strategic land purchase, with the potential in the long term to provide income or a capital receipt. The site constituted 33 acres of grazing land, together with a house and some outbuildings, which in a poor condition. There was sufficient funding for the purchase. The Council have no short term plans to change the use of the site for disposal.

Councillor Smith, Leader of the Council and Portfolio Holder for Strategy, stressed the importance of maintaining the Council's strategic land bank, which would provide opportunities for future generations.

*RESOLVED* that the contents of the report be noted and the formal decisions be taken following consideration of the report in Part B of the agenda.

#### *REASONS*

The RIF was established to recycle capital receipts into projects that could deliver against a number of Council objectives. The RIF can be used to support wider economic growth targets and deliver infrastructure supporting regeneration but its principle function is to recycle capital funds from the sale of assets for investment into income producing opportunities which can in turn support provision of frontline Council services. This proposal is a strategic land purchase which has the potential in the longer term to provide income and/or capital receipts.

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 included in Part B of the agenda.

#### *ALTERNATIVE OPTIONS*

The only alternative option at this stage is not to progress with the acquisition. The business case in Part B of the agenda discusses the various options for the site once acquired, but these would be the subject of separate business cases in due course.

**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.**

#### **35. Minutes**

*RESOLVED* that the not for publication extract from the minutes of the meeting held on 1 February 2016 be confirmed as a correct record subject to the amendment of Councillor Young's interest in minute 31 which should refer to his son's membership of a cricket team that played at Colchester Rugby Club.

**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.**

**36. Revolving Investment Fund Financial Update**

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)).

**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.**

**37. The Acquisition of Land and Buildings Known as Seven Saints Farm, Severalls Lane, Colchester**

The Head of Commercial Services submitted a report a copy of which had been circulated 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)).