

Appendix 2

Audit and Accounts Committee comments on the Property Investment Strategy Annual Property Plan 2021-22

This is a summary from the Minutes of the Audit and Accounts Committee meeting held on Monday 25 January 2021 in relation to this item which was discussed as item 10 at the meeting.

The Head of Property and Assets introduced the report which set out the proposed 2020/21 Annual Property Plan for the council's property investment portfolio.

The Committee discussed the report and made the following comments:

- A question was asked in regard to the flexibility of the Council to move quickly enough to take advantage of opportunities, how do we make sure that we are in a place where if there's an opportunity we can take it either disposal or acquisition? There may be opportunities when businesses resize to repurpose pieces of land. The Portfolio Holder (PH) and Executive Director of Corporate Services (ED) answered. The current asset base has reached a ceiling currently but any opportunities would go through Council.
- A Committee member requested that they would like to see consultation of areas that may be disposed of and the reasons why. PH replied that Ward Members were consulted in such cases.
- Section 1.3 of the report states that the investment portfolio is £279M and the rental income is £16.3M but in the previous paper page 116 it said that the portfolio was £272M with a rental revenue of £15.54M, what was the reason why? ED advised that they were two different financial years and the Annual Property Plan report would be updated before Cabinet so they were consistent.
- A further question was asked as to how soon a target list of disposals would be available. The PH confirmed this would be during the next few months.
- In Appendix 1, the Table of Acquisitions, Committee had asked previously for net internal rate of return but the net initial yield has been provided instead, what was the reason? The Head of Property and Assets is to provide a written response on the matter.

Resolved: The Committee notes the report

