

## **Item 11 – Property Investment Strategy Update**

The attached report was considered by the Finance & Investment Advisory Committee on 11 January 2024. The relevant Minute extract is below.

### **Finance & Investment Advisory Committee (11 January 2024, Minute 44)**

The Chief Officer for Finance & Trading presented the report, which set out the progress of the Property Investment Strategy and its future direction. The Strategy was approved in 2014 to support the Council's aim to be more financially self-sufficient. Changes in regulations meant that the Strategy could no longer be included in the Capital Programme, and therefore the Council was not able to borrow to make more property investment purely for yield. Financial returns from the Strategy consisted of income from the properties owned by the Council, interest from loans to Quercus 7, and the dividend from Quercus 7, minus the annual contribution to the Investment Property Maintenance Reserve. Further investments were not possible at the time of the meeting.

In response to questions, the officer explained that the Council was not able to own housing for private rental, or invest in property outside of the district – these items were held by Quercus 7 to widen the portfolio. Car parks were not included in the Property Investment Strategy, as they were standalone capital schemes with their own budgets, and did not meet the criteria for the Strategy.

Members asked questions of clarification surrounding the disposal of properties within the Strategy. Any income from the sale of these assets could not be used for new investments made purely for yield. This would also mean that alternative income would need to be found to offset any reduction.

Resolved: That the report be noted.