

## TRAFFORD COUNCIL

**Report to:** Council  
**Date:** 8 December 2020  
**Report for:** Decision  
**Report of:** Executive Member for Finance and Governance and the Corporate Directors of Place and Finance and Systems

### Report Title

**Asset Investment Strategy**

### Summary

The Asset Investment Strategy was originally approved in July 2017 with the objective of acquiring a balanced portfolio of assets that would facilitate development and regeneration, support the Council's functions and provide a sustainable income stream to support the Council's budget.

The total approved investment fund is £500m, supported by prudential borrowing and to date total commitments of £377m have been approved, supporting some key regeneration projects.

The Strategy which is appended, has recently been reviewed and updated to ensure it continues to reflect and support the Council's wider objectives and strategic priorities, and factors in changes in market conditions.

### Recommendation(s)

That the Council agree the updated Asset Investment Strategy.

### Contact person for access to background papers and further information:

Name: Graeme Bentley  
Extension: 0161 912 4336

Background Papers: None

Relationship to Corporate Priorities	Successful and Thriving Places Green and Connected Value For Money
Financial	A capital budget of £500m is included in the capital programme, supported by prudential borrowing. All opportunities are subject to appropriate levels of due diligence.
Legal Implications	None directly as a result of this report. All opportunities are in compliance with statutory legislation.
Equality/Diversity Implications	None arising from this report
Sustainability Implications	Considered on a case by case basis as part of the evaluation process.
Staffing/E-Government/Asset Management Implications	None arising from this report
Risk Management Implications	All proposals for investment are subject to appropriate levels of due diligence and on-going monitoring
Health and Safety Implications	None arising from this report

## 1.0 Background

- 1.1 The Asset Investment Strategy seeks to acquire a balanced portfolio of investment assets capable of facilitating development and regeneration, to support local authority functions and providing sustainable income streams to support the MTFP. The Council's Asset Investment Strategy was originally approved by the Executive in July 2017 when approval was given to establish a Capital Investment Fund of £300m with a further £200m approved since, to a total £500m.
- 1.2 As part of the decision making process an Investment Management Board (IMB) oversees the approval of new acquisitions and undertakes a performance management role. This process is supported by independent external advice on each acquisition.
- 1.3 The transactions that have been agreed by the Investment Management Board to date have a total committed value of £377m. These investments are forecast to generate a net benefit to the revenue budget in 2020/21 of £7.43m.
- 1.4 The Strategy has recently been reviewed and updated, with the Council's external property advisors, to ensure that it continues to reflect and support the Council's wider objectives and strategic priorities, and factors in changes in market conditions. The changes will bring more emphasis to the ability of new investments to bring about both regeneration and social, economic or environmental benefit to the area and wider region, and produce an income that gives a financial return to the Council.
- 1.5 The updated Strategy was adopted by the Executive in October and is now recommended for approval by the Council.