

MINUTES of the meeting of the **STRATEGIC INVESTMENT BOARD** held at 10.30 am on 24 July 2023 in the Council Chamber, Woodhatch Place, 11 Cockshot Hill, Reigate, Surrey, RH2 8EF.

These minutes are subject to confirmation by the Board at its next meeting.

Elected Members: (* present)

- * Natalie Bramhall
- * David Lewis
- * Tim Oliver
- * Denise Turner-Stewart

In attendance

Simon Crowther, Director - Land and Property
Anna D'Alessandro, Director - Corporate Finance and Commercial
Neil Jarvey, Strategic Finance Business Partner
Charles Maxlow-Tomlinson, Managing Director - Halsey Garton Property Ltd
Paul Evans, Director for Law and Governance
Colin Galletly, Assistant Director- Estates

14/23 APOLOGIES FOR ABSENCE [Item 1]

There were no apologies.

15/23 MINUTES OF THE PREVIOUS MEETING: 17 APRIL 2023 [Item 2]

These were agreed as a correct record of the meeting.

16/23 DECLARATIONS OF INTEREST [Item 3]

There were none.

17/23 QUESTIONS AND PETITIONS [Item 4]

The responses to the member questions were noted.

18/23 HALSEY GARTON RESIDENTIAL LTD SHORT TERM COMPANY STRATEGY 2023-2025 [Item 5]

The report was introduced by the Managing Director - Halsey Garton Property Ltd who explained that the report requested the board to approve the short-term strategy for the Company's approach to its existing assets in light of financial performance and Surrey County Council ("SCC") policy aims. It was explained that Halsey Garton Residential Ltd (HGR) had purchased 80 properties on 40-year leases from SCC by way of four transactions. The financial performance of the company had broadly been in line with the company strategy but as interest rates increased, less income would be generated for the company and a decision needed to be made about whether properties requiring capital expenditure should be disposed of. Currently there were 12 properties within the existing residential portfolio that could be disposed of.

The Leader queried whether any of these 12 properties could be repurposed by the council for other projects. The Managing Director - Halsey Garton Property Ltd explained that these 12 properties were in poor condition and were not near any main transport hubs and were in rural hubs. The Leader was of the view that long term holds for the councils property portfolio especially commercial investments was the way forward and investments should only be sold where the capital investment outweighed the return. It was agreed that business cases regarding properties managed by HGR would return to SIB for decision regarding possible disposal.

There was a discussion around properties leased to the private sector and whether these leases should be renewed moving forward or held for essential worker housing. It was agreed that an essential worker housing policy should return to SIB in September. Any renewals of leases would need to be on assured shorthold tenancy agreements for 12 months with a minimum of 6 months. As the leases were going to expire they could not be put on rolling contracts.

RESOLVED:

1. That SIB approves the short-term strategy for the Company's approach to its existing assets in light of financial performance and SCC policy aims.

19/23 EXCLUSION OF THE PUBLIC [Item 6]

RESOLVED: That under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting during consideration of the following items of business on the grounds that they involve the likely disclosure of exempt information under the relevant paragraphs of Part 1 of Schedule 12A of the Act.

20/23 HALSEY GARTON RESIDENTIAL LTD SHORT TERM COMPANY STRATEGY 2023-2025 [Item 7]

A separate confidential Part 2 minute was done for this item.

RESOLVED:

1. SIB noted the report and agreed for further information as agreed with officers.

21/23 HALSEY GARTON PROPERTY LTD BUSINESS CASE FOR THE REDEVELOPMENT OF THE FORMER DEBENHAMS SITE IN WINCHESTER [Item 8]

A separate confidential Part 2 minute was done for this item.

RESOLVED:

1. SIB approved the future strategy for the Company's investment asset known as the former Debenhams, 12-15 High Street, Winchester.

Meeting ended at: 12:06

Chairman