

MONMOUTHSHIRE COUNTY COUNCIL

**Minutes of the meeting of Investment Committee held
at Conference Room - Usk, NP15 1AD on Monday, 7th November, 2022 at 4.00 pm**

PRESENT: County Councillors: Mary Ann Brocklesby, Rachel Garrick,
Paul Griffiths, Richard John and Simon Howarth

OFFICERS IN ATTENDANCE:

Peter Davies	Deputy Chief Executive and Chief Officer, Resources
Matt Phillips	Chief Officer People and Governance and Monitoring Officer
Nicola Perry	Senior Democracy Officer
Joanne Chase	Solicitor
Nicholas Keyse	Estates Development Manager

APOLOGIES:

Councillors Frances Taylor

1. Declarations of interest

None.

2. To agree to exclude press and public

Agreed.

3. Property Investment Portfolio - performance update

The Committee resolved to accept the recommendations set out in the report.

4. Digital Infrastructure Loan - Verbal Update

It was agreed that the Digital Infrastructure Loan and Investment Committee Performance Review be combined for discussion.

The Deputy Chief Executive explained that we are required to undertake a regular and annual review of the investment committee. The report will be presented to Governance and Audit Committee. The report demonstrates the broad sense of the governance arrangements that that have come together since Council took a decision in May 2018 to delegate £50 million worth of borrowing for a 3 year period to the Investment committee.

There has been a review of property investment acquisitions by internal audit and the report talks to the specific recommendations that came as a consequence of that internal audit report. The internal audit report provided reasonable assurance in terms of our arrangements and actions have either been completed or they were very specifically related to the Broadway investment, and have been fully acted upon.

Subsequent to the Corporate and Community Plan being taken to March Council officers will be looking to create an asset management strategy and the need to have a commercial strategy or

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whether a commercial strategy is better positioned within the Council's financial strategy, which is also looking to be refreshed and updated in the coming months.

Since a decision taken in March 2020, and as a result of an extensive due diligence process, we've been in discussion with the company Broadway with regards to the desire to move forward and deliver the Council's digital infrastructure plan.

By December 2024, Broadway are expecting to receive £22 million worth of investment to enable full fibre investment into the county. This is expecting to benefit a lot of those residents that were previously not going to be seeing any level of connection 2020.

Broadway are paying their loan without default and they were originally provided with a revolving credit facility to assist them with acquisitions. This has been paid back so there were no concerns with regards to their ability to service the loan.

Broadway can no longer deliver against the loan with their altered business plan and the Investment Committee was asked it was comfortable for officers to pursue further negotiation with Broadway.

County Councillor Richard John agreed that we had entered into the agreement for two reasons. While it's a commercial loan, there was also an opportunity there for an important policy objective related to those residents who didn't have access to broadband. He was keen to see more detail about on work being done and which residents stand to benefit over the next couple of years.

The Deputy Chief Executive thought there to be 1200 white premises across Monmouthshire that will remain with little or no connection.

A key question is what efforts now need to be made really to address the remaining number of white premises and that discussion should now be had Broadway, and fed back to Cath Fallon, who runs team around the digital infrastructure plan.

Adam Greenwood was invited to comment regarding digital infrastructure. He explained that it is generally accepted that almost everyone has what is classified as broadband, but it's about what a speed your line can deliver. White premises are considered to not have access to in the next three years. There is a higher level of white premises when you look at Gigabit speeds, because there will be some properties connected by fixed wireless for example, which cannot deliver Gigabit.

County Councillor Simon Howarth proposed that Members have a briefing session and Council make the decision rather than it being made in Investment Committee

Investment Committee resolved to accept the recommendations:

For the Governance & Audit Committee to consider and scrutinize the performance review of the Investment Committee.

To review progress against the improvement proposals that were previously agreed by Governance & Audit Committee and resulting from recommendations arising from a previous internal audit report into investment property acquisitions.

To receive a verbal update at the meeting following consideration of the performance review by Investment Committee at its meeting on 7th November 2022.

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For Governance & Audit Committee to consider proposed changes to the governance arrangements for the Council's commercial investment portfolio and any future investment considerations and to determine any further recommendations for improvement.

The meeting ended at 18:40