


Agenda Item No:	5	
Committee:	Cabinet	
Date:	15 September 2025	
Report Title:	Investment Board Update and Review of the Commercial and Investment Strategy	

1 Purpose / Summary

- 1.1 To provide an update to Cabinet of the work of the Investment Board from March 2025 to July 2025.

2 Key issues

- 2.1 The last report on Investment Board activity was presented to and noted by Cabinet on 24th March 2025.
- 2.2 Work has carried on during the 2025-26 financial year to progress the two identified sites, the Nene Waterfront in Wisbech and the Elms in Chatteris and outline planning permission has now been granted for both sites.
- 2.3 At the Cabinet meeting held on 12th December 2022, it was agreed that the land at Chatteris and Wisbech be transferred to FFL at market value in accordance with a Red Book valuation
- 2.4 FFL own the Nene Waterfront, Wisbech site and are in conditional contract to complete the transfer of the land off The Elms, Chatteris subject to a Reserved Matters Planning approval.
- 2.5 Work on the revised draft Business Plan for FFL was completed and circulated to the Investment Board by 31st January 2025.
- 2.6 No new opportunities have arisen since the last report on Investment Board activity was presented to Cabinet on 24th March 2025.
- 2.7 The Constitution states as follows at paragraph 3.1.1 of Table 3 which sets out the responsibility for executive functions:
 - Cabinet will be responsible for the following specific functions in relation to the Commercial Investment Strategy and the Council's companies and partnerships:
 - (a) Conducting a formal review of the Commercial Investment every 2 years and recommending any necessary amendments for approval by Full Council;
- 2.8 The formal review of the Commercial and Investment Strategy is currently on hold as the focus has changed to delivering the Fenland Inspire programme. Additionally the present economic conditions are challenging and interest rates in particular make it extremely difficult to identify new opportunities.
- 2.9 It should also be noted that in December 2024 Local Government Reorganisation was announced and this will undoubtedly lead to a strategic assessment of priorities.

3 Recommendations

It is recommended that:-

- Cabinet note this report from the Investment Board.
- Cabinet agree that the ongoing review of the current Commercial and Investment Strategy as determined by the constitution and delegated to the S151 officer is still currently deferred.

Wards Affected	All
Forward Plan Ref	Not applicable
Portfolio Holder(s)	Cllr Chris Boden – Leader, Finance Portfolio Holder and Chairman of the Investment Board Cllr Steve Tierney – Transformation, Communications and Environment Portfolio Holder and Investment Board Member Cllr Sidney Imafidon – Assets, Business Premises, Health & Safety and Food Safety, Environmental Services and Heritage
Report Originator(s)	Peter Catchpole – Corporate Director & Chief Finance Officer Paul Medd – Chief Executive Carol Pilson – Corporate Director & Monitoring Officer Amy Brown - Assistant Director & Deputy Monitoring Officer
Contact Officer(s)	Peter Catchpole – Corporate Director & Chief Finance Officer Paul Medd – Chief Executive Carol Pilson – Corporate Director & Monitoring Officer Amy Brown - Assistant Director & Deputy Monitoring Officer
Background Paper(s)	Investment Board minutes Commercial and Investment Strategy Cabinet update report 22 nd March 2022 Cabinet update report 30 th January 2023 Cabinet update report 16 th March 2023 Cabinet update report 11 th September 2023 Cabinet update report 15 th July 2024

Appendix:

Report of the Investment Board

March 2025 – July 2025



1 What is the Investment Board?

- 1.1 The Investment Board was created on 16th January 2020 to help drive forward the Council's Commercial and Investment Strategy which was approved by Full Council on 9th January 2020. The Investment Board is a sub-committee of Cabinet designed to be more "fleet of foot" in order to be able to respond to opportunities in an agile and commercial manner.

2 Purpose of the Investment Board

- 2.1 The Investment Board is responsible for implementing the Commercial and Investment Strategy including oversight of the Council's companies and partnerships.
- 2.2 The Investment Board will act as a decision-making body in relation to the functions delegated to it and will report to Cabinet in relation to the exercise of those functions.
- 2.3 Support and advice will be provided to the Investment Board by key members of the Corporate Management team.

3 Membership and Operation of the Investment Board

- 3.1 The Investment Board will comprise a maximum of two Cabinet Members (one of whom should be the portfolio holder for finance if that position is not held by the Leader) in addition to the Leader who will determine their appointment annually.
- 3.2 The Investment Board shall meet on a basis agreed by itself with a minimum of 3 meetings per year.
- 3.2 The quorum shall be the Leader in the presence of a minimum of;
 - a. one other Cabinet Member;
 - b. one senior advisory officer (or their appointed deputy)

An invitation to attend must have been provided to the Chair of O&S at least 5 clear days in advance of the meeting taking place. This notice period may be waived if the Chair of O&S or their nominated deputy so agrees.

An invitation to attend must also have been provided to the Section 151 officer and the Monitoring Officer (or their nominated deputies) which will normally be at least 5 clear days in advance of the meeting taking place.

- 3.3 The provisions relating to substitution set out at paragraph 28 of the Standing Orders shall apply to meetings of the Investment Board save that the Leader and Cabinet Members may only be substituted by Cabinet Members [and the Chair of O&S may only be substituted by the Vice Chairman]. Such substitutions to be notified to Council as part of the annual nomination process.

- 3.4 The Cabinet Procedure Rules shall apply to meetings of the Investment Board save in respect of paragraphs 1.6, 1.8, 2.2 (second paragraph), 2.3(g) and (h) and paragraph 2.5(d) which shall be disapplied.

4 Functions of the Investment Board

- 4.1 To determine investment appraisals submitted under Part 2 of the Council's Commercial and Investment Strategy together with the most appropriate means of delivery;
- 4.2 To determine business cases submitted under Part 3 of the Council's Commercial and Investment Strategy by the Council's companies and partnerships;
- 4.3 To determine the amount and terms of any investments, loans and assets required for the delivery of proposals approved in accordance with paragraphs (a) and (b) above from the agreed budget allocation;
- 4.4 To produce a report to Cabinet twice a year summarising its activities in accordance with paragraphs (a) to (c) above.
- 4.5 Approve the business plans of the Council's companies and partnerships;
- 4.6 To monitor performance and financial delivery in line with the approved business plans;
- 4.7 To ensure that those companies and partnerships comply with relevant Council policies, strategies and objectives;
- 4.8 To exercise decisions, where delegated by Cabinet, in relation to a company or partnerships' reserved matters;
- 4.9 To oversee the relationships between the Council and the Council's companies and partnerships in accordance with the Council's objectives.
- 4.10 To prepare and present an annual report to the Overview and Scrutiny Committee;
- 4.11 To determine for each individual company or partnership whether the Investment Board recommends to Cabinet the delegation of any functions to the officers of the Council.
- 4.12 All other matters not falling within the remit of the Investment Board functions set out at 4.1 to 4.11 above will be referred to Cabinet for decision.

5 Background

- 5.1 The Commercial and Investment Strategy was approved by Full Council on 9th January 2020.
- 5.2 At the same meeting Full Council also agreed to establish a Local Authority Trading Company (LATCo) for the purpose of facilitating the delivery of the agreed strategy and noted the proposed intention that the Investment Board will be able to utilise reserves and/or borrow sums up to a combined maximum of £25 million in order to deliver the objectives of the Strategy.

- 5.3 Following on from this approval the creation of the Investment Board and the delegation of functions was approved by Cabinet on 16th January 2020.
- 5.4 The business case for the creation of the LATCo was approved by Cabinet on 9th June 2020 and Fenland Future Ltd (FFL) was incorporated on 10th June 2020.
- 5.5 FFL held its inaugural board meeting on 8th December 2020 and a first draft business plan was circulated to the Investment Board for discussion and approval. The final business plan was formally presented to the Investment Board in March 2022.
- 5.6 At a meeting of the Investment Board on 18th September 2020 approval was given to take forward to a detailed business case the development of FDC owned land at the Nene waterfront in Wisbech.
- 5.7 At a meeting of the Investment Board on 12th January 2021 approval was given to take forward to a detailed business case the development of FDC owned land in Chatteris.
- 5.8 At a meeting of the Investment Board on 16th March 2021 approval was given to acquire a commercial property in Wisbech and this was subsequently completed on 26th March 2021.
- 5.9 The last report on Investment Board activity was presented to and noted by Cabinet on 24th March 2025.

6 Work programme and outcomes

- 6.1 There have been no formal Investment Board meetings in 2025/26 so far as there have been no substantive items to discuss. A monthly report on progress is prepared and sent to the Investment Board to keep them abreast of developments.

7 Commercial and Investment Strategy (CIS) Update

FDC

- 7.1 As part of the Commercial and Investment Strategy a facility of £25m was granted to the Investment Board to finance capital expenditure to be undertaken in accordance with the aims and objectives of the agreed strategy. At the end of March 2022 £4m of this facility has been utilised to fund the acquisition detailed in 7.2 below and a strategic purchase which offers an opportunity to open up access to a Council owned potential development site. These acquisitions were approved at Investment Board meetings held on 16th March 2021 and 3rd December 2021 respectively.
- 7.2 The Commercial Investment in Wisbech has delivered a rental income of £230k p.a since acquisition in March 2021 and is up to date for 2025-26. As we used our own funds to acquire this asset there was no external cost of capital. This acquisition has enhanced the Councils revenue position and has had a positive impact on the MTFS as presented to Full Council in February 2025.
- 7.3 A further £3m of the £25m facility has been approved by the Investment Board to support the Local Authority Housing Fund initiative where the government provides up to 40% of the capital cost of certain properties to support various housing initiatives.

- 7.4 No further opportunities have been formally presented to the Investment Board since 1st March 2025 as the initial due diligence as prescribed in the Commercial and Investment Strategy was not passed. It is worth noting that since the inception of the Commercial and Investment Strategy nearly 40 opportunities have been looked into and these are broken down as follows:-

<u>Category</u>	<u>Completed</u>	<u>In progress</u>	<u>Parked</u>	<u>Offered</u>	<u>Rejected</u>	<u>Total</u>
FDC owned land		2	2			4
Other land					4	4
Commercial Retail					8	8
Commercial Investment	1			1	6	8
Residential- Commercial	1	1			3	5
Residential- Affordable					1	1
Other	1	2			3	6
	3	5	2	1	25	36

The current Commercial and Investment Strategy (CIS) strategy review as required by the constitution is on hold as focus has changed to delivering the Fenland Inspire programme. Additionally the present economic conditions are challenging and interest rates in particular make it extremely difficult to identify new opportunities.

FFL update including finance

- 7.5 Further utilisation of the above mentioned “facility” has been used to help develop the projects being delivered through Fenland Future Ltd and is in line with the cash flow and financial projections as agreed as part of the Business Plan circulated to the Investment Board by 31st January 2025. Further refinement will be required as updated site appraisals are prepared. Funding drawdown has been completed following the process as detailed in the financing agreement agreed by the Investment Board in July 2022.
- 7.5 The land transfers of the two sites, The Elms, Chatteris and the Nene Waterfront, Wisbech were approved by Cabinet on 12th December 2022 and the work to conclude the legal transfer has now been completed.
- 7.6 Both sites now have Outline Planning Permission and work has progressed on the delivery models needed to develop them.
- 7.7 A development manager has been appointed for The Elms site and work to prepare and complete a Reserved Matters Application is now underway. This includes detailed design work and technical reports as well as revised financial appraisals for the scheme.
- 7.8 Work on the Nene Waterfront includes the delivery of a new electricity substation funded through the Brownfields Land Release Fund and the delivery of an all affordable for rent Extra Care facility for which design and pre-application work has commenced. The electricity substation work is now complete.

- 7.9 FFL have exchanged contracts with Fenland Extra Care Consortium who will acquire plot 5 of the Nene Waterfront. FECC have submitted a Reserved Matters planning application in June 2025 and we are awaiting determination. This will be an all-affordable for rent housing scheme for older people with care needs (circa 70 homes).
- 7.10 To date Fenland Future Ltd expenditure and commitments are as shown in the table below.
- 7.11 Based on the revised cash flows further funding has been drawn down from Fenland District Council to both cover the costs detailed below and to enable FFL to meet its future financial commitments to develop the sites. A further update will be taken to the Investment Board later in the year along with the request to drawdown any extra funding required.
- 7.12 For information the Board of Directors for Fenland Future Ltd comprises:-
- Dan Horn – Managing Director and Chairman
 - Sian Warren – Director
 - Anna Goodall – Director
 - Jane Bailey – Company Secretary

Fenland Future Ltd		Total	Nene		Ex Barclays	FFL	Consultancy	Legal Costs	FDC	Loan
Financial Update		FFL Costs	Waterfront	Chatteris	March	Set up Costs	Costs	General	Recharges	Interest
		£	£	£	£	£	£	£	£	£
Confirmation Statement	Companies House	34.00				34.00				
Data Protection Fee	Information Commissioner	40.00				40.00				
Bank Charges	Barclays Bank	56.20				56.20				
Consultancy	Instinctively Green	93,600.00					93,600.00			
Legal services	Bevan Brittan	20,752.50	18,092.50	2,400.00				260.00		
Planning consultancy	Tetra Tech	4,750.00	4,750.00							
Valuation Report - The Elms	Carter Jonas	750.00		750.00						
Archeology Services	Headland Archeology	29,695.25	29,695.25							
Planning Fee	Fenland District Council	363.00	363.00							
Planning Consultancy Support	Barmach	500.00	500.00							
DM Fee + DP Fees	Lovell	241,440.97		241,440.97						
Directors Insurance	AON UK Ltd	3,920.00				3,920.00				
FFL Website	Chameleon Studios	972.50				972.50				
Interest Received on Late Repayment	HMRC - VAT Claim	-1,275.05				-1,275.05				
Support Recharges	FDC SLA 2024/25 - 12 months	127,363.00				2,363.00			125,000.00	
Interest Costs	FDC Loans 2024/25 - 12 months	147,518.49								147,518.49
Total Paid	2024/25 - to 31.03.25	670,480.86	53,400.75	244,590.97	0.00	6,110.65	93,600.00	260.00	125,000.00	147,518.49
Grand Total Paid to Date	to 31.03.25	1,889,736.78	221,503.62	653,419.63	1,000.00	18,276.15	330,136.58	40,607.65	475,000.00	149,793.15
Confirmation Statement	Companies House	34.00				34.00				
Data Protection Fee	Information Commissioner	0.00								
Bank Charges	Barclays Bank	0.00								
Consultancy	Instinctively Green	23,400.00					23,400.00			
Consultancy	Create Consulting Engineers Ltd	8,841.25	8,841.25							
Consultancy	Caneparo Associates Ltd	5,750.00	5,750.00							
Consultancy	Dyer	90,000.00	90,000.00							
Legal services	Bevan Brittan	0.00	0.00							
Survey Services	The Survey House	2,295.00	2,295.00							
Planning consultancy	Planning Potential Ltd	32,068.45	32,068.45							
Valuation Report - The Elms	Carter Jonas	0.00								
Ecology Services	Red Ecology Limited	5,809.43	5,809.43							
Archeology Services	Headland Archeology	0.00								
Planning Fee	Fenland District Council	0.00								
Planning Consultancy Support	Barmach	0.00								
DM Fee + DP Fees	Lovell	24,723.42		24,723.42						
Directors Insurance	AON UK Ltd	0.00								
FFL Website	Chameleon Studios	0.00								
Interest Received on Late Repayment	HMRC - VAT Claim	0.00								
Support Recharges	FDC SLA 2024/25 - 12 months	0.00								
Interest Costs	FDC Loans 2024/25 - 12 months	0.00								
Total Paid	2025/26 - to 31.07.25	192,921.55	144,764.13	24,723.42	0.00	34.00	23,400.00	0.00	0.00	0.00
Total Benefit to FDC Revenue Account - to 31.07.25		627,156.15								
Total Benefit to FDC - Capital Receipt - to 31.07.25		200,000.00								

8 Legal Implications

- 8.1 Reviewing the CIS ensures compliance with our best value duty and is also compliant with the delegations to Cabinet in which it is provided that it will be reviewed every 2 years. At their meeting in March 2025 Cabinet agreed to defer this review.