

## Assets and Investment





## David Bentley

Head of Asset Management

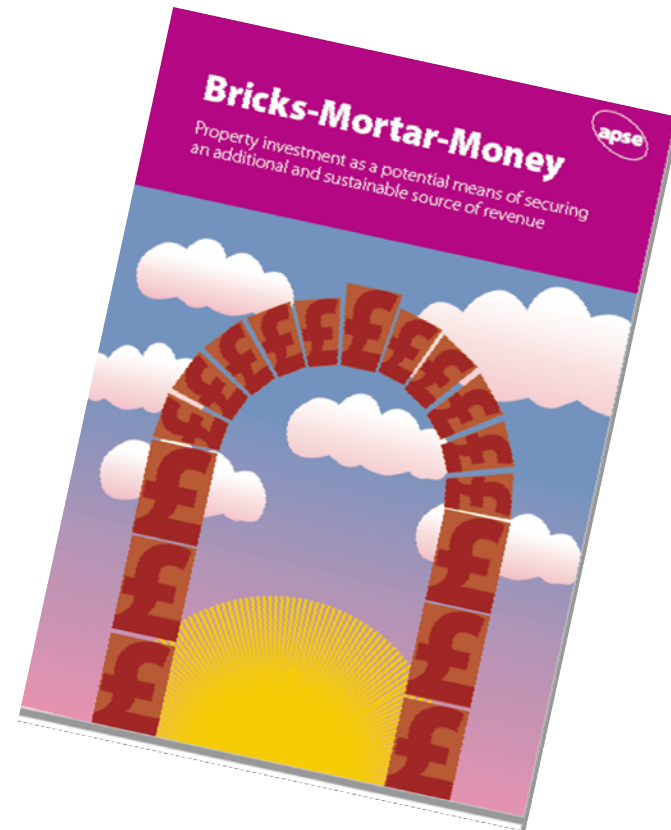
☎: 01332 559780

📱: 07710 368711

🖱: [david.bentley@cipfa.org](mailto:david.bentley@cipfa.org)

## Bricks Mortar Money

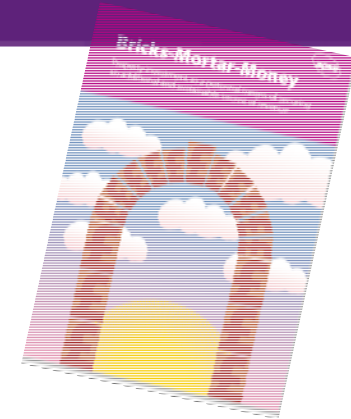
- A simple research project?
- Full spectrum
- Rumours abound
- PWLB?



<http://www.apse.org.uk/apse/index.cfm/research/current-research-programme/bricks-mortar-money/>

## Prudential Code?

- CIPFA want to see best practice applied
- Prudential Code is currently being revisited and is highly likely to require higher degrees of scrutiny for commercial activity especially property related investment
  - Appropriate and adequate governance
  - Independent expert advice
  - General requirement for a council to consider risk and act proportionally relative to its size

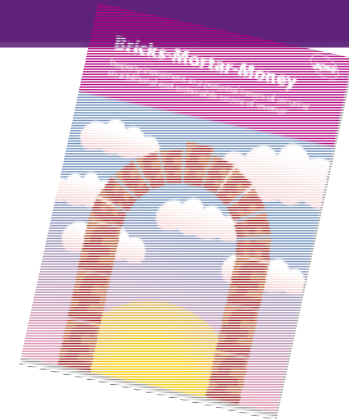


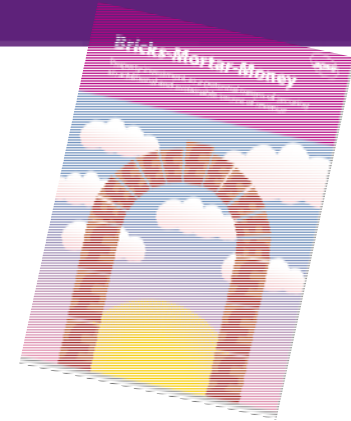
## 1. Establish what you've got

Type of Asset	Reasons Held
Investment Assets	Purely for rental income or capital appreciation
TNRP Non Investment Assets	<p>Whilst this might include financial income it will only a part of the consideration. Other reasons could be:</p> <ul style="list-style-type: none"> <li>• Job creation</li> <li>• Encouraging sustainable communities</li> <li>• Supporting regeneration or development</li> <li>• Sustaining the commercial viability of a town centre</li> </ul>

## 10 Steps

2. Measure Costs and Performance
3. Strategy
4. Geography/Boundaries
5. Funding - security, liquidity and then yield
6. Skills and Capacity
7. Delivery Models
8. Acquire Carefully (Risk Management)
9. Acquisition and Management
10. Monitor, Review and Adapt





1. Mansfield District Council
2. Sevenoaks District Council
3. Southampton City Council
4. Reigate & Banstead Borough Council
5. Bournemouth Borough Council
6. Canterbury City Council
7. The London Borough of Havering
8. Bristol City Council

## In closing

Commercialisation and entrepreneurship are key strategies for many councils in responding to the current public sector climate

### However

Carrying more commercial risk inevitably means that some ventures will fail, it is important therefore that any council dipping their toe into this market will have appropriate due diligence and ongoing governance set in place.