

Commercial Services Cabinet Committee

Tuesday, 8 November 2022

7.30 pm

Present:

Cllr Lenny Rolles (Chair)
Cllr Sarah Gow (Vice-Chair)

Councillors: Samir Jassal
Leslie Pearton
Anthony Pritchard
Tony Rana
Tony Rice
Gurbax Singh
Frank Wardle

Lisa Nyon Assistant Director (Corporate Services)
Elizabeth Thornton Service Manager (Property & Regulatory Services)
Karen Gingles Committee Services Officer (Minutes)

14. Apologies for Absence

Apologies for absence were received from Cllr Denise Tiran (Cllr Frank Wardle substituted) and Cllr Gurdip Ram Bungar.

15. Minutes

The minutes of the meeting held on Monday, 1 September 2022 were signed by the Chair.

16. Declarations of Interest

Cllr Lenny Rolles, Cllr Sarah Gow and Cllr Tony Rice declared an other interest in the Corporate Performance Update: Quarter Two 2022-23, as they were appointed Directors of Rosherville Limited and Cllr Lenny Rolles was also Chair of the Board.

17. Corporate Performance Update: Quarter Two 2022 - 23

The Assistant Director (Corporate Services) presented Members with the Commercial Services Committee with an update against the Performance Management Framework, as introduced within the Council's Corporate Plan, for Quarter Two 2022-23 (July to September 2022).

The Assistant Director (Corporate Services) drew member's attention to the three performance indicators in the report. Key points raised were:

- PI 45 & PI 46 were annual performance indicators, and an update would be provided on these at the end of the financial year.
- PI 47 outlined the total amount secured, through contractual social value. The Committee were informed that within quarter 2, GBC secured £5,642 in contractual social value contributions. This element included new flooring at Malvern House and an afternoon tea for residents in an independent living scheme.

The Committee noted the report.

18. Economic and Property Market Update

The Service Manager (Property and Regulatory Services) presented the Committee with the RICS publication 'Economy and Property Market Update – August 2022'.

The Service Manager (Property and Regulatory) advised that as the RICS publication was written in August 2022, there had been economic changes since then and highlighted the following:

- The Bank of England raised the base rate to 1.75% at its August meeting, with further increases predicted. Inflation was predicted to reach 13% from 9.4% before easing in the second quarter of 2023 and returning to target levels in the latter half of 2024. The Service Manager (Property and Regulatory) advised inflation currently stood at 10.1%.
- Whilst vacancies still outnumber people looking for work, this was likely due to change over the coming months with the unemployment rate rising to circa 6%.
- In respect of house sales, a number of demand indicators had fallen, albeit price levels remained resilient due to demand outstripping supply. Rents were expected to rise due to reduced supply in the sector, as a result of changes to the tax regime and regulatory environment.

The Chair noted that the RICS publication was very informative and a good snapshot in the context of the Commercial and Retail Portfolio. It was observed that changes had occurred since August in relation to the economic situation.

In response to Members questions, the Service Manager (Property & Regulatory Services) advised:

- There was nothing within the RICS publication 'Economy and Property Market Update – August 2022', that would alter the Council's current strategy or approach with relation to long term investments.

- In relation to construction (p.21 of the publication) and the factors that could impact output, such as increasing cost of building supplies and potential insolvency of contractors, Members were advised that careful consideration and investigation was made when contracts were out for tender.

The Committee noted the report.

19. Exclusion

Resolved pursuant to Section 100A(4) of the Local Government Act 1972 that the public be excluded during the following items of business because it was likely in view of the nature of the business to be transacted that, if member of the public were present during this item, there would be disclosure to them of exempt information.

20. Property Information Dashboard

The Service Manager (Property & Regulatory Services) provided the Committee with the Property Information Dashboard.

Close of meeting

The meeting ended at 19:43