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Democratic Services



SHAREHOLDER SUB-COMMITTEE

Tuesday 28 March 2023 at 6.30 pm

Place: Council Chamber, Epsom Town Hall

Link for public online access to this meeting:

https://www.youtube.com/playlist?list=PLU1GWtI_OsxUcyTb2u4WGNNV7n-MGYVaZ

The members listed below are summoned to attend the Shareholder Sub-Committee meeting, on the day and at the time and place stated, to consider the business set out in this agenda.

Councillor Neil Dallen (Chair)
Councillor Kate Chinn
Councillor Hannah Dalton

Councillor Graham Jones
Councillor Colin Keane

Yours sincerely

Chief Executive

For further information, please contact Democratic Services, tel: 01372 732000 or democraticservice@epsom-ewell.gov.uk

EMERGENCY EVACUATION PROCEDURE

No emergency drill is planned to take place during the meeting. If the fire alarm sounds continuously, or if you are instructed to do so, you must leave the building by the nearest available exit. You will be directed to the nearest exit by council staff. It is vital that you follow their instructions.

- You should proceed calmly; do not run and do not use the lifts;
- Do not stop to collect personal belongings;
- Once you are outside, please do not wait immediately next to the building, but move to the assembly point at Dullshot Green and await further instructions; and
- Do not re-enter the building until told that it is safe to do so.

Public information

Please note that this meeting will be held at the Town Hall, Epsom and will be available to observe live on the internet

This meeting will be open to the press and public to attend as an observer using free Youtube software.

A link to the online address for this meeting is provided on the first page of this agenda and on the Council's website. A limited number of seats will also be available in the public gallery at the Town Hall. For further information please contact Democratic Services, email: democraticservices@epsom-ewell.gov.uk, telephone: 01372 732000.

Information about the terms of reference and membership of this Committee are available on the [Council's website](#). The website also provides copies of agendas, reports and minutes.

Agendas, reports and minutes for this Committee are also available on the free Modern.Gov app for iPad, Android and Windows devices. For further information on how to access information regarding this Committee, please email us at Democraticservices@epsom-ewell.gov.uk.

Exclusion of the Press and the Public

There are matters scheduled to be discussed at this meeting that would appear to disclose confidential or exempt information under the provisions Schedule 12A of the Local Government (Access to Information) Act 1985. The Committee is likely to resolve to exclude the press and public during discussion of these matters by virtue of the private nature of the business to be transacted.

Questions from the Public

Questions from the public are not permitted at meetings of the Shareholder Sub-Committee. [Part 4 of the Council's Constitution](#) sets out which Committees are able to receive public questions, and the procedure for doing so.

AGENDA

1. DECLARATIONS OF INTEREST

Members are asked to declare the existence and nature of any Disclosable Pecuniary Interests in respect of any item of business to be considered at the meeting.

2. MINUTES OF THE PREVIOUS MEETING

The Sub-Committee is asked to confirm as a true record the Minutes of the Meeting of the Sub-Committee held on the 22 November 2023 (attached) and to authorise the Chair to sign them.

3. EXCLUSION OF PRESS AND PUBLIC (Pages 5 - 6)

The Committee is asked to consider whether it wishes to pass a resolution to exclude the Press and Public from the meeting in accordance with Section 100A (4) of the Local Government Act 1972 on the grounds that the business involves the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A to the Act (as amended) and that pursuant to paragraph 10 of Part 2 of the said Schedule 12A the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

4. COMMERCIAL PROPERTY UPDATE (Pages 7 - 20)

This report has not been published because the meeting is likely to be closed to the press and public in view of the nature of the business to be transacted/nature of the proceedings. The report deals with information relating to the financial or business affairs of the Committee and third parties and the public interest in maintaining the exemption currently outweighs the public interest in disclosing the information.

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Minutes of the Meeting of the SHAREHOLDER SUB-COMMITTEE held at the Council Chamber, Epsom Town Hall on 22 November 2022

PRESENT -

Councillor Neil Dallen (Chair); Councillors Kate Chinn, Graham Jones and Colin Keane

Absent: Councillor Hannah Dalton

Officers present: Jackie King (Interim Chief Executive), Mark Shephard (Head of Property and Regeneration) and Tim Richardson (Democratic Services Manager)

1 DECLARATIONS OF INTEREST

No declarations of interest were made by Councillors in items on this agenda.

2 MINUTES OF THE PREVIOUS MEETING

The Minutes of the previous meeting of the Shareholder Sub Committee held on 23 November 2021 were agreed as a true record and signed by the Chair.

3 ANNUAL REPORT

The Sub-Committee receive the Annual report on Epsom & Ewell Property Investment Company Ltd (EEPIC).

The following matters were considered:

- a) **Withdrawal of recommendation 3 of the report.** The Head of Property and Regeneration recommended to the Sub-Committee that recommendation 3 of the report should be withdrawn as the Director of Environment, Housing and Regeneration had resigned from the Council.

Following consideration the Sub-Committee unanimously resolved to withdraw recommendation 3 of the report.

- b) **Financial performance.** The Sub-Committee noted that EEPIC had reported a full-year profit before tax of £1.4m, with a dividend of £600,000 paid to the shareholder and retained earnings of £900,000. Property valuations had increased by £900,000 over the past year, and the company's cash balance as at 31 March 2022 was £1.25m.
- c) **Dividend to shareholder.** The Sub-Committee noted that the dividend paid to the shareholder had decreased from £870,000 in 2021 to £600,000 in 2022. The Head of Property and Regeneration informed the

Sub-Committee that this reduction had occurred following the agreement of a Deed of Variation for the property at Bracknall. The Deed had provided the tenant with a period of rent free support during the Covid-19 pandemic in exchange for a 5 year lease extension. The net benefit to EEPIC of this agreement was a £6,638,625 income stream at the end of the previous lease term.

- d) **Capital gain of properties.** The Sub-Committee noted that the two properties had achieved different rates of capital gain within the year. The Head of Property and Regeneration informed the Sub-Committee that this was due to the difference in nature of the properties.

Following consideration, the Sub-Committee unanimously resolved to:

- (1) **note Epsom & Ewell Property Investment Company Ltd Report to Shareholder (Appendix 1 to the report);**
- (2) **note Epsom & Ewell Property Investment Company Ltd Shareholder Annual Review (Appendix 2 and 3 to the report);**
- (3) **approve the confidential Annual Business Plan 2023-2024 (Appendix 4 to the report);**
- (4) **approve the confidential Report to Shareholder (Appendix 5 to the report).**

The meeting began at 6.30 pm and ended at 6.52 pm

COUNCILLOR NEIL DALLEN (CHAIR)

EXCLUSION OF PRESS AND PUBLIC

Under Section 100(A)(4) of the Local Government Act 1972, the Committee may pass a resolution to exclude the public from the Meeting for Part Two of the Agenda on the grounds that the business involves the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A to the Act (as amended) and that pursuant to paragraph 10 of Part 2 of the said Schedule 12A the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

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