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**SCRUTINY COMMISSION – 6 SEPTEMBER 2023****INVESTING IN LEICESTERSHIRE PROGRAMME ANNUAL  
PERFORMANCE REPORT 2022 - 2023****MINUTE EXTRACT**

The Commission considered a report of the Director of Corporate Resources which set out the performance of the Investing in Leicestershire Programme (IILP) in the 2022/23 financial year. A copy of the report marked 'Agenda Item 8' is filed with these minutes.

Arising from discussion, the following points arose:

- (i) Members noted that there had been no borrowing to fund any of the investments within the IILP. The Lead Member commented that the approach for the Programme had been sensible and prudent.
- (ii) Whilst generating an income would still be a priority, the revised approach of the IILP to prioritise investments in Leicestershire to support the local economy and local growth was welcomed. It was suggested that future performance reports should begin to capture the wider economic benefits being achieved alongside usual income performance. It was further suggested that consideration be given to the development of targets which identified the wider benefits to be achieved by the Programme and which might be incorporated into the next iteration of the IILP Strategy.
- (iii) A Member requested that in future reports the overall rate of return be set out more clearly, distinguishing between that arising from the Council's property investments and that arising from its financial non-property investments.
- (iv) In response to questions raised, the Director clarified that 7% was the target return for the overall fund once this reached the expected level of £260m. This was the total return it was expected would be achieved once the allocated capital had been fully invested and sites under development had been completed and let. As the Programme included land that was still under development, the overall target forecast had not yet been reached. The current rate of return had been around 5.8%. A Member requested that some explanation be provided on the terms used within the report (for example, yield, net yield, income return) and the different targets referenced in the Strategy.
- (v) Mr D. Bill CC requested that his objection to the future development of land between Earl Shilton and Stoney Stanton be recorded. The

proposals if pursued by developers would, in his view, result in the loss of significant and valuable countryside around Junction 2 of the M69 which would not be of benefit to local residents living in that area.

RESOLVED:

- (a) That the Performance of the Investing in Leicestershire Programme during 2022/23 being noted;
- (b) That the Director be requested to:
  - (i) include in future performance reports details of the wider economic benefits being achieved by the Programme, alongside usual income performance;
  - (ii) consider the development of targets for wider benefits to be achieved by the Programme which might be incorporated into the next iteration of the IILP Strategy;
  - (iii) distinguish between the rate of return arising from the Council's property investments and financial non-property investments in future performance reports;
  - (iv) include within future reports an explanation of the terms used (for example, yield, net yield, income return) and the different targets referenced in the Strategy.