

## Labour Amendment to Liberal Democrat Non-Strategic Theme Motion

Proceeds from the sale of CHAS 2013 Ltd

Proposer: ~~Councillor Simon McGrath~~

Secunder: ~~Councillor Paul Kohler~~

1. Council congratulates Labour administrations past and present, as well as the hard-working, dedicated officers who, over the years, have contributed to building the CHAS 2013 Ltd business into such a substantial asset for the benefit of the residents of Merton.

2. Council notes:

a. a- That the Labour administration was re-elected in May 2022 on the basis of a strong track-record of successful, business-like management of the Council's finances;

a.b. The sale of the CHAS 2013 Ltd business on 6 January 2023, following a rigorous marketing exercise which included substantial cross-party scrutiny of the process;

cb. That the report to Cabinet on 16 January 2023, "Business Plan Update 2023-2027", which includes details of how the Labour administration has projected a balanced budget for the next two financial years, says (Section 5.1) ~~says~~ that following the sale "to ensure maximum benefit to the Council's financial position the proceeds were immediately invested in treasury instruments". The report goes on to say that "for the purposes of the MTFS it has been assumed, given current market conditions, that the return to the Council over the Medium Term will be approximately £5.25m. This has been built into the MTFS and will be refined in line with the forthcoming Investment Strategy."

de. That the final sale price is commercially sensitive, and according to the Share Purchase Agreement signed by the Council, is not able to be disclosed without the agreement of the buyer, while the Council has not released to the public the amount received from the sale, the level of interest to be received shows that it must be very substantial.

e. That an external investigation has been instigated into the apparent leaking of commercially sensitive information relating to the sale.

3. Council believes that:

a. The Labour administration's forthcoming budget and capital programme receipt of such a large sum represents a very significant opportunity to improve the lives of residents and narrow inequalities in the Borough;

b. The Labour administration was recently re-elected by All-Merton residents to oversee the Council's financial management, and should will continue have the opportunity to engage residents in discussions about how the Council's financial resources this capital receipt should be are used, as they do every year.

4. Council requests Cabinet to continue developing a comprehensive Investment Strategy that seeks to maximise the value of all the Council's assets, and to bring back to a future Council meeting a plan for full engagement with Merton residents about how this money should be used. ~~this to the relevant scrutiny panel for further discussion once finalised.~~

Motion now reads:

Proceeds from the sale of CHAS 2013 Ltd

1. Council congratulates Labour administrations past and present, as well as the hard-working, dedicated officers who, over the years, have contributed to building the CHAS 2013 Ltd business into such a substantial asset for the benefit of the residents of Merton.

2. Council notes:

- a. That the Labour administration was re-elected in May 2022 on the basis of a strong track-record of successful, business-like management of the Council's finances;
- b. The sale of the CHAS 2013 Ltd business on 6 January 2023, following a rigorous marketing exercise which included substantial cross-party scrutiny of the process;
- c. That the report to Cabinet on 16 January 2023, "Business Plan Update 2023-2027", which includes details of how the Labour administration has projected a balanced budget for the next two financial years, says (Section 5.1) that following the sale "to ensure maximum benefit to the Council's financial position the proceeds were immediately invested in treasury instruments". The report goes on to say that "for the purposes of the MTFS it has been assumed, given current market conditions, that the return to the Council over the Medium Term will be approximately £5.25m. This has been built into the MTFS and will be refined in line with the forthcoming Investment Strategy."
- d. That the final sale price is commercially sensitive, and according to the Share Purchase Agreement signed by the Council, is not able to be disclosed without the agreement of the buyer.
- e. That an external investigation has been instigated into the apparent leaking of commercially sensitive information relating to the sale.

3. Council believes that:

- a. The Labour administration's forthcoming budget and capital programme represents a very significant opportunity to improve the lives of residents and narrow inequalities in the Borough;
- b. The Labour administration was recently re-elected by Merton residents to oversee the Council's financial management, and will continue to engage residents in discussions about how the Council's financial resources are used, as they do every year.

4. Council requests Cabinet to continue developing a comprehensive Investment Strategy that seeks to maximise the value of all the Council's assets, and to bring this to the relevant scrutiny panel for further discussion once finalised.

Cllr Billy Christie

Cllr Ross Garrod

Cllr Eleanor Stringer

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