



Investment Committee

Date: WEDNESDAY, 17 MAY 2017
Time: 1.45 pm
Venue: COMMITTEE ROOMS - WEST WING, GUILDHALL

Members: Alexander Barr
Nicholas Bensted-Smith
Chris Boden
Deputy Keith Bottomley
Deputy Michael Cassidy
Deputy John Chapman
Henry Colthurst
Simon Duckworth
Alderman Alison Gowman
Christopher Hill
Alderman Robert Howard
Deputy Clare James
Tim Levene
Andrew McMurtrie
Andrien Meyers
Deputy Alastair Moss
Dhruv Patel
Deputy Henry Pollard
James de Sausmarez
Ian Seaton
Deputy Tom Sleigh
Deputy Philip Woodhouse
Mark Boleat (Ex-Officio Member)
Deputy Catherine McGuinness (Ex-Officio Member)
Deputy Jamie Ingham Clark (Ex-Officio Member)
Jeremy Mayhew (Ex-Officio Member)

Enquiries: Philippa Sewell
tel. no.: 020 7332 1426
philippa.sewell@cityoflondon.gov.uk

Lunch will be served in Guildhall Club at 1PM
NB: Part of this meeting could be the subject of audio or video recording

John Barradell
Town Clerk and Chief Executive

AGENDA

Part 1 - Public Agenda

1. **APOLOGIES**
2. **MEMBERS' DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA**
3. **ORDER OF THE COURT OF COMMON COUNCIL**
To receive the Order of The Court of Common Council from 27 April 2017.

For Information
(Pages 1 - 2)

By convention, the Investment Committee appoints its three Boards before electing a Chairman and Deputy Chairman.

4. **APPOINTMENT OF THE BOARDS AND FREQUENCY OF MEETINGS**
Report of the Town Clerk.

For Decision
(Pages 3 - 12)
5. **ELECTION OF CHAIRMAN**
To elect a Chairman in accordance with Standing Order 29.

For Decision
6. **ELECTION OF DEPUTY CHAIRMAN**
To elect a Deputy Chairman in accordance with Standing Order 30.

For Decision
7. **MINUTES OF THE PREVIOUS MEETING**
To agree the public minutes and non-public summary of the meeting held on 18 January 2017.

For Decision
(Pages 13 - 16)
8. **MINUTES OF THE BOARDS**

For Information

 - a) **Minutes of the Financial Investment Board (Pages 17 - 20)**
To note the public minutes and non-public summary of the meeting held on 2 February 2017.
 - b) **Minutes of the Property Investment Board (Pages 21 - 28)**
To note the public minutes and non-public summary of the meetings held on 25 January and 15 February 2017.
 - c) **Minutes of the Social Investment Board (Pages 29 - 32)**
To note the public minutes and non-public summary of the meeting held on 15 February 2017.
9. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**

10. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**

11. **EXCLUSION OF THE PUBLIC**

MOTION - That under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting for the following items on the grounds that they involve the likely disclosure of exempt information as defined in Part I of the Schedule 12A of the Local Government Act.

Part 2 - Non-Public Agenda

12. **NON-PUBLIC MINUTES OF THE PREVIOUS MEETING**

To agree the non-public minutes of the meeting held on 18 January 2017.

For Decision
(Pages 33 - 34)

13. **NON-PUBLIC MINUTES OF THE BOARDS**

For Information

a) **Non-public minutes of the Financial Investment Board (Pages 35 - 36)**

To note the non-public minutes of the meeting held on 2 February 2017.

b) **Non-public minutes of the Property Investment Board (Pages 37 - 50)**

To note the non-public minutes of the meetings held on 25 January and 15 February 2017.

c) **Non-public minutes of the Social Investment Board (Pages 51 - 52)**

To note the non-public minutes of the meeting held on 15 February 2017.

14. **SIR WILLIAM COXEN TRUST FUND (206936) - PROPOSED APPOINTMENT OF THE CITY CORPORATION TO MONITOR THE CHARITY'S INVESTMENTS AND THEIR PERFORMANCE**

Joint report of the Chamberlain and the Comptroller & City Solicitor.

For Decision
(Pages 53 - 56)

15. **UPDATE OF FINANCIAL INVESTMENT BOARD ACTIVITIES 2016/17**

Report of the Chamberlain.

For Information
(Pages 57 - 70)

16. **UPDATE OF THE SOCIAL INVESTMENT BOARD**

Report of the Chief Grants Officer.

For Information
(Pages 71 - 76)

17. **NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**

18. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE COMMITTEE AGREE SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**

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Agenda Item 3

PARMLEY, Mayor	RESOLVED: That the Court of Common Council holden in the Guildhall of the City of London on Thursday 27th April 2017, doth hereby appoint the following Committee until the first meeting of the Court in April, 2018.
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INVESTMENT COMMITTEE

1. **Constitution**

A Non-Ward Committee consisting of,

- 14 Members elected by the Court of Common Council, at least one of whom shall have fewer than five years' service on the Court at the time of their appointment
- eight Members nominated by the Policy & Resources Committee
- the Chairman and a Deputy Chairman of the Policy & Resources Committee (ex-officio)
- the Chairman and Deputy Chairman of the Finance Committee (ex-officio)

2. **Quorum**

The quorum consists of any seven Members.

3. **Membership 2017/18**

- 7 (4) Michael John Cassidy, C.B.E., Deputy
 - 4 (4) John Douglas Chapman
 - 7 (4) Ian Christopher Norman Seaton
 - 5 (3) Henry Nicholas Almroth Colthurst
 - 1 (1) James De Sausmarez, *for two years*
 - 5 (3) Andrew Stratton McMurtrie, J.P.
 - 3 (3) Philip John Woodhouse
 - 2 (2) Nicholas Michael Bensted-Smith, J.P.
 - 2 (2) Keith David Forbes Bottomley, Deputy
 - 6 (2) Clare James, Deputy
 - 7 (1) Simon D'Olier Duckworth, O.B.E., D.L.
 - 6 (1) Robert Picton Seymour Howard, Alderman
 - 1 (1) Timothy Levene
 - 7 (1) James Henry George Pollard, Deputy
- together with the Members referred to in paragraph 1.

4. **Terms of Reference**

- (a) To be responsible for the strategic oversight and monitoring of the performance of all of the City of London Corporation's investments, in accordance with the investment strategy determined by the Policy & Resources Committee.
- (b) To fulfil (a) above by means of the appointment of a Property Investment Board, a Financial Investment Board and a Social Investment Board responsible for property, financial investments and social investments, respectively.
- (c) To provide the Resource Allocation Sub Committee with proportions between property and non-property assets as part of the resource allocation process with the final decision remaining with the Resource Allocation Sub Committee.

Note: The Property Investment Board, Financial Investment Board and Social Investment Board shall have the power to:-

- i) co-opt people with relevant expertise or experience, including non-Members of the Court; and
- ii) submit reports on matters relevant to their responsibilities directly to the Court of Common Council.

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Committee:	Date:
Investment Committee	17 May 2017
Subject: Appointment of the Boards and Frequency of Meetings	Public
Report of: The Town Clerk	For Decision
Report author: Philippa Sewell, Town Clerk's Department	

Summary

The purpose of this report is to consider the appointment of the Committee's Boards, to approve their composition and to agree their frequency of meetings.

It is proposed that the Committee appoints the Financial Investment and Property Investment Boards for 2017/18 in addition to two Members of the Social Investment Board (from the Court of Common Council). Details of all three Boards' composition and terms of reference are set out in Appendix 1.

It is also proposed that the amended protocol for co-option to all three Boards be reviewed for 2017/18; the form is set out at Appendix 2.

Recommendation(s):

It is recommended that:-

- a) approval be given to the appointment of the following Boards:
 - Financial Investment Board; and
 - Property Investment Board; and
 - Social Investment Board
- b) consideration be given to the frequency of meetings for the Investment Committee, the Financial Investment Board, the Property Investment Board and the Social Investment Board;
- c) the protocol for co-option to the Financial Investment Board, the Property Investment Board and the Social Investment Board be considered; and
- d) it be noted that the Chairman and Deputy Chairman of the Investment Committee are ex-officio Members of the following Committees:
 - Policy & Resources
 - Finance

Main Report

1. The Investment Committee is responsible for the strategic oversight and monitoring of all of the City of London Corporation's investments, in

accordance with the investment strategy as determined by the Policy & Resources Committee. This is fulfilled by the appointment of a Financial Investment Board, a Property Investment Board and a Social Investment Board and the Committee therefore needs to consider the appointment of Members to these three Boards.

2. The Committee's Boards are considered in turn below and details of their composition and terms of reference are set out in Appendix 1 of this report.
3. As agreed at the meeting on 6 May 2011, the protocol for co-option to the Boards should be reviewed and agreed on an annual basis and this is included at Appendix 2.

Financial Investment Board

4. It is proposed that the Investment Committee appoints Members to its Financial Investment Board. The proposed Terms of Reference and composition of the Board are given at Appendix 1.
5. It is proposed that the Terms of Reference continue and that the Board should continue to meet approximately six times a year.
6. The Financial Investment Board met six times between May 2016 and April 2017 and at March 2017 the membership was as follows:-
 - Andrew McMurtrie (Chairman)
 - Nicholas Bensted-Smith (Deputy Chairman)
 - Deputy Roger Chadwick
 - Henry Colthurst
 - Simon Duckworth
 - Alderman Peter Hewitt
 - Tom Hoffman
 - Alderman Robert Howard
 - Edward Lord
 - Clare James
 - Deputy Henry Pollard
 - James de Sausmarez
 - Ian Seaton
 - Philip Woodhouse

Property Investment Board

7. It is proposed that the Investment Committee appoints Members to its Property Investment Board. The proposed Terms of Reference and composition of the Board are given at Appendix 1.
8. It is proposed that the Terms of Reference continue as present and that the Board should continue to meet approximately nine to eleven times a year.
9. The Board met nine times between May 2016 and April 2017 and at March 2017 the membership was as follows:-
 - Deputy Alastair Moss (Chairman)

- Deputy Tom Sleigh (Deputy Chairman)
- Chris Boden
- Mark Boleat
- Keith Bottomley
- David Brooks Wilson (Co-Opted Member)
- Deputy Michael Cassidy
- Deputy Roger Chadwick
- George Gillon
- Deputy Brian Harris
- Alderman Peter Hewitt
- Ann Holmes
- Tony Joyce (Co-Opted Member)
- Edward Lord
- Dhruv Patel
- Liz Peace (Co-Opted Member)

Social Investment Board

10. It is proposed that the Investment Committee notes the composition of the Social Investment Board detailed at Appendix 1.
11. It is proposed that the Terms of Reference continue as present and that the Board should meet approximately five times a year (including an away-day).
12. The Board met five times (including an away-day) between May 2016 and April 2017 and at March 2017 the membership was as follows:-
 - Alderman Peter Hewitt (Chairman)
 - Henry Colthurst (Deputy Chairman)
 - Nicholas Bensted-Smith
 - Elizabeth Corrado (Co-Opted Member)
 - Tim Haywood (Co-Opted Member)
 - Wendy Hyde
 - Alderman Alison Gowman
 - Jeremy Mayhew
 - Andrew McMurtrie
 - Laura Tumbridge (Co-Opted Member)

Ex-officio representation on other Committees

13. Note that the Chairman and Deputy Chairman of the Investment Committee are ex-officio Members of the following Committees:-
 - Policy & Resources
 - Finance

Co-option arrangements

14. The Financial Investment Board, Property Investment Board and Social Investment Board are empowered to co-opt people with relevant expertise or experience, including non-Members of the Court of Common Council, to assist in their deliberations.
15. In 2011, the Committee agreed a protocol concerning the co-option arrangements for each Board and that it also be considered by the Boards at their first meeting of the year.

Appendices

- Appendix 1: Investment Committee Boards – Composition and Terms of Reference
- Appendix 2: Protocol for co-option to the Financial Investment Board, the Property Investment Board and the Social Investment Board.

Contact:

Philippa Sewell

Town Clerk's Department

Tel: 020 7332 1426

philippa.sewell@cityoflondon.gov.uk

Investment Committee Boards – Composition and Terms of Reference

(A) Financial Investment Board

Composition

- Chairman – To be determined by the Board
- 12-14 Members of the Investment Committee

Quorum

Any three Members of the Board.

Terms of Reference

- a) to approve the appointment of and to monitor the performance of investment managers of the following funds:

- i. City's Cash
- ii. Bridge House Estate
- iii. Pension Fund
- iv. Charities Pool
- v. Hampstead Heath Trust

Together with such other funds as are under the City of London Corporation's control;

- b) to review the investment strategy for the securities investments of the Pension Fund, City's Cash, Bridge House Estates, Hampstead Heath Trust Fund and the Charities Pool;
- c) to authorise investments and approve the overall parameters within which the investment fund managers will be authorised to operate;
- d) to invest all new monies in respect of the Pension Fund and the Charities Pool;
- e) to invest such other sums as are from time to time allocated for this purpose; and
- f) to monitor the activities of the Chamberlain in connection with his role as banker to the City of London Corporation.

There is provision within the Investment Committee's Terms of Reference to enable the Chairman of the Financial Investment Board to report on and speak to their activities and responsibilities in the Court of Common Council and to ensure that any decisions are taken without undue delay.

(B) Property Investment Board

Composition

- Chairman - To be determined by the Board
- 12-14 Members of the Investment Committee

Quorum

Any three Members of the Board.

Terms of Reference

To determine and approve management and investment matters relating to property within the City's Cash, City Fund and Bridge House Estates in accordance with the management plans and investment strategies;

- a) to acquire, manage or dispose of all City property within its remit;
- b) to determine specific property ownerships in accordance with policies established by the Policy and Resources Committee and the Court of Common Council in relation to the extent of properties to be held by the City of London Corporation for strategic purposes, including within the City itself;
- c) in relation to Leadenhall Market, to lease any shop or shops at less than the full market rent in order to obtain the stated objectives of securing a first class, balanced and varied market; and
- d) to report during the year to the Investment Committee in relation to its activities and the overall performance of the investment property portfolios.

There is provision within the Investment Committee's Terms of Reference to enable the Chairman of the Property Investment Board to report on and speak to the Board's activities and responsibilities in the Court of Common Council and to ensure that any decisions, especially those relating to property, are taken without undue delay.

(C) Social Investment Board

Composition

- Chairman to be determined by the Board*
- The Chairman of the Policy & Resources Committee for the time being or his/her nominee;
- The Chairman of the Finance Committee for the time being or his/her nominee;
- The Chairman of the City Bridge Trust Committee for the time being or his/her nominee;
- One Member of the City Bridge Trust Committee;

- The Chairman of the Financial Investment Board for the time being or his/her nominee;
- One Member of the Financial Investment Board;
- One Member of the Property Investment Board;
- Two Members of the Court of Common Council elected by the
- Investment Committee, one of whom shall have fewer than five years' service on the Court at the time of their appointment.

All nominees must be Members of the Court of Common Council.

External co-opted members to be appointed for four-year terms, subject to annual reappointment at the first meeting of the Board after Annual Court in April.

Quorum

Any three Members of the Board.

Terms of Reference

The terms of reference for the Social Investment Board shall be as follows:-

- a) to approve criteria for social investments and to authorise social investments in accordance with such criteria
- b) to approve the appointment of and monitor the performance of independent advisors tasked with undertaking due diligence of investment proposals; and
- c) all of the above to be consistent with the strategic investment policies determined by the Policy and Resources Committee and the Investment Committee.

There is provision within the Investment Committee's Terms of Reference to enable the Chairman of the Social Investment Board to report on and speak to their activities and responsibilities in the Court of Common Council and to ensure that any decisions are taken without undue delay.

***Note on the Chairmanship**

The Social Investment Board shall elect annually a Chairman and a Deputy Chairman from amongst all of its Members (including ex-officio Members who shall also have the power to vote in such elections) with the exception of any co-opted people.

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Protocol for co-option to the Financial Investment Board, the Property Investment Board and the Social Investment Board

1. The Financial Investment Board, the Property Investment Board and the Social Investment Board are empowered to co-opt people with relevant expertise or experience, including non-Members of the Court of Common Council, to assist in their deliberations.
2. The arrangements for co-option and the co-opted membership of individuals to the Financial Investment Board, the Property Investment Board and Social Investment Board will be reviewed on an annual basis at the May meeting of the Investment Committee (and thereafter at the first meetings of the respective Boards).
3. When suggesting individuals with relevant expertise or experience for co-option, Members of the Financial Investment Board, the Property Investment Board or the Social Investment Board will be required to:-
 - a. send a written request for co-option to the Town Clerk, specifying whom it is proposed should be co-opted to either the Financial Investment Board or the Property Investment Board or the Social Investment Board and the reasons for their co-option;
 - b. send a CV or supporting statement, for the individual being suggested for co-option, to the Town Clerk. Bearing in mind the Board's terms of reference, the letter and supporting statement or CV should demonstrate the individual's relevant skills and experience.
4. For the Standards Committee, is it considered inappropriate for past Members of the Court of Common Council or former City Corporation employees to be eligible to serve as [independent] outside members and Members will need to consider if the same conditions should apply in respect of co-option to the Financial Investment Board, the Property Investment Board and Social Investment Board. It would be inappropriate for a close friend or relative of any Member or officer to serve or indeed an employee of any organisation of which the City Corporation is a client.
5. The Town Clerk will consult the relevant Chief Officer to discuss the co-option request and will, if necessary, prepare a report for the next meeting of the respective Board. Members of the respective Board will then be asked to consider the co-option request.
6. Unless co-option is time-banded or topic/project restricted, co-opted Members of the Financial Investment, the Property Investment Board and Social Investment Board will be entitled to attend all meetings of the respective Board for a maximum of 12 months (prior to the annual review in May) and to receive all committee-related documentation, including exempt papers, unless otherwise determined by the Town Clerk in consultation with the relevant Chief Officer.

7. The Financial Investment Board, the Property Investment Board and the Social Investment Board are empowered to approve their own co-opted membership (majority vote) without prior consultation with, or agreement by, the Investment Committee. The Town Clerk will inform the Chairman and Deputy Chairman of the Committee once a Board has agreed co-option of an individual.
8. Co-opted Members would not have voting rights.
9. Co-opted Members of the Financial Investment Board, the Property Investment Board and Social Investment Board will be required to complete a Register of Interest form and declare personal and prejudicial interests when in attendance at meetings.

INVESTMENT COMMITTEE

Wednesday, 18 January 2017

Minutes of the meeting of the Investment Committee held at the Guildhall EC2 at 1.45 pm

Present

Members:

Deputy Alastair Moss (Chairman)	Deputy Brian Harris
Andrew McMurtrie (Deputy Chairman)	Ann Holmes
Nicholas Bensted-Smith	Alderman Robert Howard
Chris Boden	Clare James
Keith Bottomley	Edward Lord
Deputy John Chapman	James de Sausmarez
Simon Duckworth	Deputy Catherine McGuinness (Ex-Officio Member)
George Gillon	

Officers:

Philippa Sewell	- Town Clerk's Department
Peter Kane	- Chamberlain
Caroline Al-Beyerty	- Chamberlain's Department
Kate Limna	- Chamberlain's Department
Tom Broughton	- Chamberlain's Department
Paul Wilkinson	- City Surveyor
Nicholas Gill	- City Surveyor's Department
Tim Wilson	- City Bridge Trust

1. APOLOGIES

Apologies were received from Deputy Michael Cassidy, Henry Colthurst, Alderman Peter Hewitt, Dhruv Patel, Deputy Henry Pollard, Jeremy Mayhew and Ian Seaton.

2. MEMBERS' DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA

There were no declarations.

3. MINUTES OF THE PREVIOUS MEETING

RESOLVED - That the public minutes and non-public summary of the meeting held on 25 May 2016 be approved as an accurate record.

4. MINUTES OF THE FINANCIAL INVESTMENT BOARD

RESOLVED - That the public minutes and non-public summaries of the Financial Investment Board meetings held on 26 May, 30 June, 6 September, 27 October and 1 December 2016 be noted.

5. **MINUTES OF THE PROPERTY INVESTMENT BOARD**

RESOLVED - That the public minutes and non-public summaries of the Property Investment Board meetings held on 25 May, 15 June, 20 July, 14 September, 19 October, 16 November and 14 December 2016 be noted.

6. **MINUTES OF THE SOCIAL INVESTMENT BOARD**

RESOLVED - That the public minutes and non-public summaries of the Social Investment Board meetings held on 12 July, 14 September and 13 December 2016 be noted.

7. **ANNUAL REVIEW OF THE COMMITTEE'S TERMS OF REFERENCE**

The Committee considered a report of the Town Clerk which requested the Committee to conduct their annual review of the Committee's Terms of Reference.

RESOLVED – That the Terms of Reference be approved.

8. **RESOLUTION FROM THE SOCIAL INVESTMENT BOARD**

The Committee considered a resolution from the Social Investment Board regarding some proposed changes to the Board's membership.

RESOLVED – That the following changes to the Social Investment Board's membership be approved:

- The addition of a Property Investment Board Member to the Social Investment Board;
- The addition of a City Bridge Trust Committee Member to the Social Investment Board;
- Giving the Investment Committee appointment powers for the two Members previously elected by the Court of Common Council. These appointments would still be made from the entire Court Membership (not just from the Investment Committee);
- External co-opted members be appointed for four-year terms, subject to annual reappointment at the first meeting of the Board after Annual Court in April.

9. **RESOLUTION FROM THE FINANCE COMMITTEE**

The Committee considered a request from the Finance Committee regarding Corporate Asset Sub-Committee (CASC) taking responsibility for decisions regarding the disposal of properties which had been declared as surplus to the Corporation's operational requirements and which were not suitable as investment property assets.

RESOLVED – That:

- a) the proposal from the Finance Committee to allow the Corporate Asset Sub (Finance) Committee to make disposals of properties which are not suitable to be retained as investment property assets be supported;
- b) the Policy and Resources Committee and Court of Common Council be requested to amend Standing Orders 56 and 57 to enable this proposal to be enacted.

10. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**

There were no questions.

11. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**

There was no other business.

12. **EXCLUSION OF THE PUBLIC**

RESOLVED - That under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting for the following items on the grounds that they involve the likely disclosure of exempt information as defined in Part I of the Schedule 12A of the Local Government Act.

Item No.	Paragraph(s) in Schedule 12A
13-23	3
24	-

13. **NON-PUBLIC MINUTES OF THE PREVIOUS MEETING**

RESOLVED - That the non-public minutes of the meeting held on 25 May 2016 be approved as an accurate record.

14. **NON-PUBLIC MINUTES OF THE FINANCIAL INVESTMENT BOARD**

RESOLVED - That the non-public minutes of the Financial Investment Board meetings held on 26 May, 30 June, 6 September, 27 October and 1 December 2016 be noted.

15. **NON-PUBLIC MINUTES OF THE PROPERTY INVESTMENT BOARD**

RESOLVED - That the non-public minutes of the Property Investment Board meetings held on 25 May, 15 June, 20 July, 14 September, 19 October, 16 November and 14 December 2016 be noted.

16. **NON-PUBLIC MINUTES OF THE SOCIAL INVESTMENT BOARD**

RESOLVED - That the non-public minutes of the Social Investment Board meetings held on 12 July, 14 September and 13 December 2016 be noted.

17. **STRATEGIC PROPERTY ESTATE - UPDATE**

The Committee received a report of the City Surveyor.

18. **CITY'S ESTATE STRATEGY REPORT**

The Committee received a report of the City Surveyor.

19. **CITY FUND STRATEGIC REVIEW - ANNUAL UPDATE**

The Committee received a report of the City Surveyor.

20. **BRIDGE HOUSE ESTATES - ANNUAL STRATEGY UPDATE**

The Committee received a report of the City Surveyor.

21. **INVESTMENTS PERFORMANCE MONITORING TO 30 SEPTEMBER 2016**

The Committee received a report of the Chamberlain.

22. UPDATE OF THE SOCIAL INVESTMENT BOARD

The Committee received a report of the Chief Grants Officer.

23. NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE

There was one non-public question.

24. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE COMMITTEE AGREE SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED

There was no other business.

The meeting closed at 2.00 pm

Chairman

Contact Officer: Philippa Sewell
tel. no.: 020 7332 1426
philippa.sewell@cityoflondon.gov.uk

FINANCIAL INVESTMENT BOARD

Thursday, 2 February 2017

Minutes of the meeting of the Financial Investment Board held at the Guildhall EC2 at 1.45 pm

Present

Members:

Andrew McMurtrie (Chairman)	Edward Lord
Nicholas Bensted-Smith (Deputy Chairman)	Clare James
Henry Colthurst	Deputy Henry Pollard
Simon Duckworth	James de Sausmarez
Tom Hoffman	Ian Seaton
Alderman Robert Howard	

Officers:

Philippa Sewell	-	Town Clerk's Department
Peter Kane	-	Chamberlain
Caroline Al-Beyerty	-	Chamberlain's Department
Kate Limna	-	Chamberlain's Department
Tom Broughton	-	Chamberlain's Department
Catrina Arbuckle	-	Mercer

In Attendance:

Holly Johnstone	-	M&G Investments
Lucy Williams	-	M&G Investments

1. APOLOGIES

Apologies were received from Alderman Peter Hewitt and Philip Woodhouse.

2. MEMBERS' DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA

Henry Colthurst declared a non-pecuniary interest by virtue of being a member of the Pensions Board at Hackney Borough Council.

3. MINUTES OF THE PREVIOUS MEETING

RESOLVED - That the public minutes and non-public summary of the meeting held on 1 December 2016 be agreed as a correct record.

4. OUTSTANDING ACTIONS

Members received and discussed the list of Outstanding Actions. Members noted that responses to the Charities Pool survey were being returned and collated for the May Board meeting.

RESOLVED – That the report be noted.

5. **MONTHLY INVESTMENT ANALYSIS REVIEW**

The Board received the monthly review for September 2016 which detailed the list of current investments. In response to a Members' query, the Corporate Treasurer undertook to report back regarding differing levels of default risk for term deposits with Lloyds Bank. With regard to cash balances, the Chairman advised that a significant proportion of balances were held for payment to third parties; they were either restricted reserves or would be drawn down over the coming years to fund various major projects (such as Museum of London). Some £200m was being held as part of the City's contribution to Crossrail which was expected to be paid at the start of the 2017/18 financial year subject to completion of specific milestones. Although this restricted long-term investments, officers advised that work was underway to identify medium term options. A Member requested that comparative figures for previous years be included in the summary for future reports.

RESOLVED – That:

- a) comparative figures for previous years be included in the summary for future reports; and
- b) the report be noted.

6. **TREASURY MANAGEMENT STRATEGY STATEMENT AND ANNUAL INVESTMENT STRATEGY 2017/18**

The Board received a report of the Chamberlain setting out the City's Treasury Management Strategy Statement and Annual Investment Strategy for 2017/18. The only change was to the Non Specified Investments where UK Index Linked Gilts had been included. In response to a Member's question, officers advised that the £50m maximum for UK Index Linked Gilts could be reviewed in due course.

RESOLVED – the Treasury Management Strategy Statement and Annual Investment Strategy for 2017/18 be approved, and that Finance Committee be recommended to submit it to the Court for formal adoption as part of the City Fund - 2017 Budget Report.

7. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**

There were no questions.

8. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**

There was no other business.

9. **EXCLUSION OF THE PUBLIC**

RESOLVED - That under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting for the following items on the grounds that they involve the likely disclosure of exempt information as defined in Part I of the Schedule 12A of the Local Government Act.

Item No.	Paragraph(s) in Schedule 12A
9-12	3
13-14	-

10. **PRESENTATION - M&G INVESTMENTS**

The Board received two presentations from M&G Investments.

11. **NON-PUBLIC MINUTES OF THE PREVIOUS MEETING**

RESOLVED - That the non-public minutes of the meeting held on 1 December 2016 be agreed as a correct record.

12. **NON-PUBLIC OUTSTANDING ACTIONS**

Members received and discussed the list of non-public Outstanding Actions.

RESOLVED – That the report be noted.

13. **DRAFT INVESTMENT STRATEGY STATEMENT**

Members considered a report of the Chamberlain.

14. **NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**

There were no non-public questions.

15. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE COMMITTEE AGREE SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**

There were two items of other business.

The meeting closed at 3.10 pm

Chairman

Contact Officer: Philippa Sewell
tel. no.: 020 7332 1426
philippa.sewell@cityoflondon.gov.uk

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PROPERTY INVESTMENT BOARD

Wednesday, 25 January 2017

Minutes of the meeting of the Property Investment Board held at the Guildhall EC2 at 1.45 pm

Present

Members:

Deputy Alastair Moss (Chairman)	Alderman Peter Hewitt
Deputy Tom Sleigh (Deputy Chairman)	Tony Joyce (Co-Opted Member)
Keith Bottomley	Edward Lord
Deputy Michael Cassidy	Liz Peace (Co-Opted Member)
George Gillon	

Officers:

Philippa Sewell	-	Town Clerk's Department
Hazel Lerigo	-	Chamberlain's Department
Alan Bennetts	-	Comptroller & City Solicitor's Department
John Hunt	-	Comptroller & City Solicitor's Department
Nicholas Gill	-	City Surveyor's Department
Andrew Cross	-	City Surveyor's Department
Tom Leathart	-	City Surveyor's Department
Neil Robbie	-	City Surveyor's Department

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from Chris Boden, David Brooks Wilson (Co-Opted Member), Ann Holmes and Dhruv Patel. Apologies were also noted from the City Surveyor who was attending the opening of the renovated Garden Halls of Residence for the University of London.

2. MEMBERS' DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA

The Chairman declared a pecuniary interest in agenda item 15, and resolved to leave the room for the discussion of the item.

3. MINUTES

RESOLVED – That the public minutes and non-public summary of the meeting held on 14 December 2016 be approved.

Matters Arising

Appointment to the Social Investment Board

The Chairman of SIB gave a brief overview of the Board's current status and some of the problems it was facing. The Chairman requested a more detailed briefing note be circulated to Members before the May meeting where the appointment would be considered again.

4. QUESTIONS ON MATTERS RELATING TO THE WORK OF THE BOARD

There were no questions.

5. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**

There was no other business.

6. **EXCLUSION OF THE PUBLIC**

RESOLVED – That under Section 100A(4) of the Local Government Act 1972, the public be excluded from the meeting for the following items on the grounds that they involve the likely disclosure of exempt information as defined in Part 1 of Schedule 12A of the Local Government Act.

Item No.

7-22

23-24

Paragraph No.

3

-

7. **NON PUBLIC MINUTES**

RESOLVED – That the non-public minutes of the meeting held on 14 December 2016 be approved.

8. **QUARTERLY DELEGATED AUTHORITIES UPDATE - 1ST OCTOBER 2016 TO 31ST DECEMBER 2016**

The Board received a report of the City Surveyor.

9. **OUTSTANDING LEASE RENEWALS & RENT REVIEWS - 30TH JUNE 2016 TO 31ST DECEMBER 2016**

The Board received a report of the City Surveyor.

10. **VACANT ACCOMMODATION UPDATE AS AT 1 DECEMBER 2016**

The Board received a report of the City Surveyor.

11. **FIRST REGISTRATION OF THE CITY'S FREEHOLD TITLES - PROGRESS SINCE JANUARY 2016**

The Board received a joint report of the City Surveyor and the Comptroller & City Solicitor.

12. **CITY'S ESTATE - LETTING REPORT - GROUND AND BASEMENT FLOORS, 30 NEW BOND STREET, LONDON W1 - RENT REVIEW**

The Board considered a report of the City Surveyor.

13. **CITY'S ESTATE - LETTING REPORT - GROUND FLOOR AND PART BASEMENT, 59 SOUTH MOLTON STREET, LONDON W1 - RENT REVIEW**

The Board considered a report of the City Surveyor.

14. **ISSUE REPORT: 26-31, SHOREDITCH HIGH STREET, LONDON, E1**

The Board considered a report of the City Surveyor.

15. **SMITHFIELD GENERAL MARKET - PROCUREMENT OF STABILISATION WORKS**

Deputy Alastair Moss left the room for consideration of this item.

The Board considered a report of the City Surveyor.

16. **CITY FUND STRATEGIC REVIEW - ANNUAL UPDATE**
The Board received a report and presentation of the City Surveyor.
17. **CITY FUND - LETTING REPORT GROUND AND BASEMENT, 20-22 LEADENHALL MARKET EC3 - LEASE RENEWAL**
The Board considered a report of the City Surveyor.
18. **CITY FUND - LETTING REPORT - ELECTRICITY SUBSTATION, BASEMENT, 15 WORSHIP STREET, LONDON, EC2 - GRANT OF NEW LEASE**
The Board considered a report of the City Surveyor.
19. **BRIDGE HOUSE ESTATES - ANNUAL STRATEGY UPDATE**
The Board considered a report and presentation of the City Surveyor.
20. **BRIDGE HOUSE ESTATES - LETTING REPORT - 4TH FLOOR, 35/38 NEW BRIDGE STREET, LONDON EC4V - RENT REVIEW**
The Board considered a report of the City Surveyor.
21. **BRIDGE HOUSE ESTATES - LETTING REPORT PART SECOND FLOOR AT NO. 1 LONDON WALL BUILDINGS, LONDON, EC2 - LEASE RENEWAL**
The Board considered a report of the City Surveyor.
22. **BRIDGE HOUSE ESTATE - LETTING REPORT - FINSBURY HOUSE, 23 FINSBURY CIRCUS, LONDON, EC2 - GRANT OF NEW LEASE**
The Board considered a report of the City Surveyor.
23. **NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE BOARD**
There were no questions.
24. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE BOARD AGREES SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**
There were two items of other business.

The meeting closed at 2.48 pm

Chairman

Contact Officer: Philippa Sewell
tel. no.: 020 7332 1426
philippa.sewell@cityoflondon.gov.uk

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PROPERTY INVESTMENT BOARD

Wednesday, 15 February 2017

Minutes of the meeting of the Property Investment Board held at the Guildhall EC2 at 1.45 pm

Present

Members:

Deputy Alastair Moss (Chairman)
Chris Boden
Keith Bottomley
George Gillon
Deputy Brian Harris

Alderman Peter Hewitt
Ann Holmes
Edward Lord
Liz Peace (co-opted Member)

Officers:

Philippa Sewell	-	Town Clerk's Department
John Galvin	-	Town Clerk's Department
John James	-	Chamberlain's Department
Hazel Lerigo	-	Chamberlain's Department
Alan Bennetts	-	Comptroller & City Solicitor's Department
Paul Wilkinson	-	City Surveyor
Peter Collinson	-	City Surveyor's Department
Andrew Cross	-	City Surveyor's Department
Tom Leathart	-	City Surveyor's Department
Neil Robbie	-	City Surveyor's Department

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from Deputy Chairman Tom Sleight, co-opted Member Tony Joyce, and Dhruv Patel.

2. MEMBERS' DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA

There were no declarations.

3. MINUTES

RESOLVED – That the public minutes and non-public summary of the meeting held on 25 January 2017 be approved.

4. QUESTIONS ON MATTERS RELATING TO THE WORK OF THE BOARD

There were no questions.

5. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT

There was no other business.

6. EXCLUSION OF THE PUBLIC

RESOLVED – That under Section 100A(4) of the Local Government Act 1972, the public be excluded from the meeting for the following items on the grounds

that they involve the likely disclosure of exempt information as defined in Part 1 of Schedule 12A of the Local Government Act.

Item No.
7-22, 24
23

Paragraph No.
3
-

7. **NON PUBLIC MINUTES**

RESOLVED – That the non-public minutes of the meeting held on 25 January 2017 be approved.

8. **BUILDING REPAIRS AND MAINTENANCE CONTRACT - UPDATE**

The Board considered a report and presentation of the City Surveyor which provided an update regarding progress in the procurement of the Buildings Repairs and Maintenance (BRM) Contract.

9. **REPORT OF ACTION TAKEN BETWEEN MEETINGS**

The Board received a report of the Town Clerk advising of two decisions taken under delegated authority since the last meeting.

RESOLVED – That the report be noted.

10. **DECISIONS TO BE SOUGHT UNDER DELEGATED AUTHORITY BEFORE THE NEXT MEETING**

The City Surveyor tabled a document outlining all property transactions that were likely to take place during the summer recess and seeking delegated authority to act before the next meeting of the Board.

RESOLVED – That delegated authority be granted to the Town Clerk, in consultation with the Chairman and Deputy Chairman, for all requested property matters.

11. **CITY'S RENTAL FORECASTS MONITORING REPORT**

The Board considered a report of the City Surveyor.

12. **CITY SURVEYOR'S DEPARTMENTAL RISK REGISTER - QUARTERLY UPDATE**

The Board considered a report of the City Surveyor.

13. **BUSINESS PLAN PROGRESS 2016-19 QUARTER 3 2016/17**

The Board considered a report of the City Surveyor.

14. **THE CITY SURVEYOR'S DRAFT HIGH LEVEL BUSINESS PLAN 2017/18**

The Board considered a report of the City Surveyor.

15. **REVIEW OF METRICS USED IN MAKING MAJOR PROPERTY DECISIONS**

The Board considered a joint report of the Chamberlain and the City Surveyor.

16. **FORMER TENANT RENT ETC. ARREARS - WRITE OFF**

The Board considered a report of the City Surveyor.

17. **CITY'S ESTATE - LETTING REPORT -SUITE M, PART SECOND FLOOR, 1 EAST POULTRY AVENUE, SMITHFIELD - RENT REVIEW**
The Board considered a report of the City Surveyor.
18. **CITY'S ESTATE - 123/124 NEW BOND STREET - GATEWAY 4 DETAILED OPTIONS APPRAISAL**
The Board considered a report of the City Surveyor.
19. **CITY FUND & CITY'S ESTATE HIGHWAY LAND DISPOSAL - 90 FETTER LANE, EC4**
The Board considered a report of the City Surveyor.
20. **CITY FUND - LETTING REPORT - 3RD FLOOR, CHRONICLE HOUSE, FLEET STREET**
The Board considered a report of the City Surveyor.
21. **TRIG LANE STAIRS AND CASTLE YARD WHARF ESSENTIAL REPAIRS TO THE FLOOD DEFENCE WALL**
The Board considered a report of the City Surveyor.
22. **REMODELLING OF BRIDGEMASTERS RETAIL UNITS, GATEWAY 5 ISSUES REPORT, REQUEST FOR DELEGATED AUTHORITY**
The Board considered a report of the City Surveyor.
23. **BRIDGE HOUSE ESTATES - LETTING REPORT - BRIDGEMASTERS RESTAURANT & WINE BAR**
The Board considered a report of the City Surveyor.
24. **NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE BOARD**
There were no questions.
25. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE BOARD AGREES SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**
There were three items of other business.

The meeting closed at 2.45 pm

Chairman

Contact Officer: Philippa Sewell
tel. no.: 020 7332 1426
philippa.sewell@cityoflondon.gov.uk

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SOCIAL INVESTMENT BOARD

Wednesday, 15 February 2017

Minutes of the meeting of the Social Investment Board held at the Guildhall EC2 at 11.30 am

Present

Members:

Alderman Peter Hewitt (Chairman)	Tim Haywood (co-opted Member)
Henry Colthurst (Deputy Chairman)	Jeremy Mayhew
Elizabeth Corrado (co-opted Member)	Laura Tumbridge (co-opted Member)

Officers:

Philippa Sewell	-	Town Clerk's Department
Karen Atkinson	-	Chamberlain's Department
Karen McHugh	-	Comptroller & City Solicitors
David Farnsworth	-	Chief Grants Officer
Tim Wilson	-	The City Bridge Trust
Martin Hall	-	The City Bridge Trust
Kyro Brooks	-	The City Bridge Trust
Kristina Drake	-	Communications Team

In Attendance:

Whitni Thomas	–	Triodos Bank
Richard O'Brien	–	Triodos Bank
Michael Jarvis	–	Clothworkers' Company
Hamesh Patel	–	Clothworkers' Company

1. APOLOGIES

Apologies were received from Nicholas Bensted-Smith, Wendy Hyde, Alderman Alison Gowman and Andrew McMurtrie.

2. MEMBERS' DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA

The Chairman, Alderman Peter Hewitt, declared a non-pecuniary interest by virtue of his position on the Government's Advisory Group on 'Creating a Culture of Social Impact Investing and Savings' under the Minister for Civil Society.

3. MINUTES

RESOLVED – That the public minutes and non-public summary of the meeting held on 13 December 2016 be agreed as a correct record.

4. PRESENTATION: TRIODOS BANK

The Board received a presentation from Whitney Thomas and Richard O'Brien from the Corporate Finance Team at Triodos Bank, who gave an overview of the scale and aims of the bank and confirmed their recent appointment as

advisors for the Fund. In response to the Chairman's question regarding deployment, Ms Thomas advised that the Board could pursue property initiatives, environmental options, or look at flexibility in terms of repayment schedules.

Members thanked Ms Thomas and Mr O'Brien for their presentation.

5. **REPORT OF ACTION TAKEN BETWEEN MEETINGS**

The Board received a report of the Town Clerk advising of one decision taken under urgency provisions since the last meeting.

RESOLVED – That the report be noted.

6. **PROGRESS REPORT**

The Chief Grants Officer introduced a progress report on social investment activity within the Corporation.

Advisors

Members noted that three social investment advisors had been identified during a review of prospective new providers – Triodos NV, Bates Wells Braithwaite and iforchange. Members queried costings and noted that all advisors would be engaged on a spot-purchase basis rather than retainer so the Board could benefit from the flexibility of matching the right advisor to the right prospective investment.

City Bridge Trust Strategic Review

Officers advised that CBT had commissioned a piece of research investigating how the Trust could build on the work being done through the Stepping Stones fund and undertook to circulate this once it was available.

RESOLVED – That:

- a) Bates Wells Braithwaite and iforchange be appointed as advisors to the Fund;
- b) the proposed approach to a diversified portfolio with a range of risk tolerances be endorsed;
- c) the social investment research commissioned by the City Bridge Trust as part of its Strategic Review be circulated in due course and
- d) the report be noted.

7. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE BOARD**

There were no questions.

8. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**

There was no other business.

9. **EXCLUSION OF THE PUBLIC**

RESOLVED – That under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in Part 1 of Schedule 12A of the Local Government Act.

Item No.

9-12, 14
13

Exempt Paragraphs

3
-

10. NON-PUBLIC MINUTES

RESOLVED – That the non-public minutes of the meeting held on 13 December 2016 be agreed as a correct record.

11. REPORT OF ACTION TAKEN BETWEEN MEETINGS

The Board received a report of the Town Clerk advising of one decision taken under delegated authority since the last meeting.

RESOLVED – That the report be noted.

12. PORTFOLIO UPDATE

The Board considered a report of the Chief Grants Officer.

13. QUESTIONS ON MATTERS RELATING TO THE WORK OF THE BOARD

There were no questions.

14. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE BOARD AGREE SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED

There was one item of business.

The meeting closed at 12.47 pm

Chairman

Contact Officer: Philippa Sewell
tel. no.: 020 7332 1426
philippa.sewell@cityoflondon.gov.uk

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