



Investment Committee

- Date:** FRIDAY, 20 JULY 2012
- Time:** 1.45pm
- Venue:** COMMITTEE ROOM - 2ND FLOOR WEST WING, GUILDHALL
- Members:** Ray Catt (Chairman)
Deputy Michael Cassidy (Deputy Chairman)
Deputy Ken Ayers (Chief Commoner)
Roger Chadwick
Martin Day
Simon Duckworth
Deputy Anthony Eskenzi
Martin Farr
Alderman Sir Robert Finch
Archie Galloway
George Gillon
Brian Harris
Tom Hoffman
Robert Howard
Michael Hudson
Clare James
Deputy Keith Knowles
Anthony Llewelyn-Davies
Deputy Edward Lord
Jeremy Mayhew
Henry Pollard
Ian Seaton
Mark Boleat (Ex-Officio Member)
Stuart Fraser (Ex-Officio Member)

Enquiries: Claire Sherer
tel. no.: 020 7332 1971
claire.sherer@cityoflondon.gov.uk

Lunch will be served in the Guildhall Club at 1pm

Chris Duffield
Town Clerk and Chief Executive

AGENDA

Part 1 - Public Agenda

1. **APOLOGIES**
2. **DECLARATIONS BY MEMBERS OF ANY PERSONAL OR PREJUDICIAL INTERESTS**
3. **MINUTES OF THE PREVIOUS MEETING**
To agree the minutes of the meeting held on 9 May 2012.

For Decision
(Pages 1 - 6)
4. **MINUTES OF THE FINANCIAL INVESTMENT BOARD**
To note the public minutes and non-public summaries of the meetings held on 9 May 2012, 16 May 2012 and 19 June 2012.

For Information
(Pages 7 - 18)
5. **MINUTES OF THE PROPERTY INVESTMENT BOARD**
To note the public minutes and non-public summaries of the meetings held on 9 May 2012, 23 May 2012 and 20 June 2012.

For Information
(Pages 19 - 28)
6. **REVIEW OF THE GOVERNANCE ARRANGEMENTS IMPLEMENTED IN 2011**
Report of the Town Clerk.

For Decision
(Pages 29 - 40)
7. **ROLE AND POWERS OF THE INVESTMENT COMMITTEE**
Report of the Town Clerk.

For Information
(Pages 41 - 44)
8. **DECISIONS TAKEN UNDER DELEGATED AUTHORITY AND URGENCY PROCEDURES**
The Town Clerk to be heard.
9. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**
10. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT:**

- **City of London Corporation Social Investment Fund – Proposed Management and Governance Arrangements**
Report of the Town Clerk
- **City of London Corporation's Social Investment Fund (SIF): Proposal to invest in Oxfam/City of London Small Enterprise Impact Investing Fund (SEIF)**
Report of the Director of Economic Development and Chief Grants Officer, City Bridge Trust

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.

Item No.	Paragraph(s) in Schedule 12A
12 – 15	3
16 – 18	-

Part 2 - Non-Public Agenda

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

To note the non-public minutes of the meetings held 16 May 2012 and 19 June 2012.

For Information
(Pages 45 - 52)

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

To note the non-public minutes of the meetings held on 23 May 2012 and 20 June 2012.

For Information
(Pages 53 - 64)

14. **TREASURY MANAGEMENT - INVESTMENT OF CASH**

Report of the Chamberlain.

For Information
(Pages 65 - 90)

15. **CITY FUND, CITY'S ESTATE AND BRIDGE HOUSE ESTATES - PERFORMANCE MONITORING TO 31 MARCH 2012**

Report of the City Surveyor.

For Information
(Pages 91 - 98)

16. **NON-PUBLIC DECISIONS TAKEN UNDER DELEGATED AUTHORITY AND URGENCY PROCEDURES**

The Town Clerk to be heard.

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**

INVESTMENT COMMITTEE

9 May 2012

Minutes of the meeting of the INVESTMENT COMMITTEE held at Guildhall, EC2 on Wednesday 9 MAY 2012 at 1.45pm.

Present

Members:

Deputy Ken Ayers (Chief Commoner)
Deputy Michael Cassidy
Ray Catt
Roger Chadwick
Simon Duckworth
Deputy Anthony Eskenzi
Martin Farr
Archie Galloway
Tom Hoffman
Robert Howard
Michael Hudson
Robert Hughes-Penney
Anthony Llewelyn-Davies
Deputy Edward Lord
Jeremy Mayhew
Henry Pollard
Ian Seaton
Mark Boleat (Ex-Officio Member)

Officers:

Claire Sherer	- Town Clerk's Department
Matthew Pitt	- Town Clerk's Department
Chris Bilsland	- Chamberlain
Paul Mathews	- Corporate Treasurer
Peter Bennett	- City Surveyor
Nicholas Gill	- City Surveyor's Department

In attendance

Peter Damesick - EMEA Chief Economist at CBRE

Part 1 – Public Agenda

1. APOLOGIES

Apologies for absence were received from Alderman Sir Robert Finch, George Gillon, Brian Harris and Clare James.

2. DECLARATIONS BY MEMBERS OF PERSONAL OR PREJUDICIAL INTERESTS IN RESPECT OF ITEMS TO BE CONSIDERED AT THIS MEETING

There were no declarations.

3. ORDER OF THE COURT OF COMMON COUNCIL (19 APRIL 2012)

The Committee considered the Order of the Court of Common Council of 19 April 2012 appointing the Committee and approving its Terms of Reference.

RECEIVED

4. MINUTES OF THE PREVIOUS MEETING

RESOLVED: That the public minutes and non-public summary of the meeting held on 13 January 2012 be approved as an accurate record.

5. MINUTES OF THE FINANCIAL INVESTMENT BOARD

RESOLVED: That the public minutes and non-public summary of the Financial Investment Board meeting held on 2 February 2012 be noted.

6. MINUTES OF THE PROPERTY INVESTMENT BOARD

RESOLVED: That the public minutes and non-public summary of the Property Investment Board meetings held on 18 January 2012, 15 February 2012 and 14 March 2012 be noted.

7. APPOINTMENT OF BOARDS AND FREQUENCY OF MEETINGS

The Committee considered a report of the Town Clerk to appoint the Committee's two Boards (Property Investment Board and Financial Investment Board), approve their composition and terms of reference and agree the frequency of meetings.

The Town Clerk tabled amended terms of reference for the Financial Investment Board and proceeded to read the names of those Members who had expressed a willingness to serve on the Committee's two Boards.

RESOLVED: That –

- (i) the composition and terms of reference for the two Boards be agreed, subject to the following conditions:
 - a. that the composition should make clear that the Deputy Chairman (in addition to the Chairman) for both Boards should be determined by the relevant Board; and
 - b. the Financial Investment Board terms of reference should be reviewed and amended in due course should the Board be required to take a formal role in relation to the newly established Social Investment Fund.
- (ii) Membership of the Boards would be:

Financial Investment Board
Deputy Ken Ayers (Chief Commoner)
Ray Catt

Roger Chadwick
Simon Duckworth
Deputy Anthony Eskenzi
Brian Harris
Tom Hoffman
Robert Howard
Clare James
Anthony Llewelyn-Davies
Deputy Edward Lord
Jeremy Mayhew
Henry Pollard
Ian Seaton
Stuart Fraser (Ex-Officio Member)

Property Investment Board

Deputy Ken Ayers (Chief Commoner)
Deputy Michael Cassidy
Roger Chadwick
Deputy Anthony Eskenzi
Martin Farr
Alderman Sir Robert Finch
Archie Galloway
George Gillon
Brian Harris
Michael Hudson
Deputy Keith Knowles
Deputy Edward Lord
Mark Boleat (Ex-Officio Member)

- (iii) the Investment Committee would continue to meet three times a year, with meetings to be held in January, April/May and July;
- (iv) the Financial Investment Board would continue to meet approximately six times a year;
- (v) the Property Investment Board would continue to meet approximately eight to ten times a year;
- (vi) it be noted that the Chairman and Deputy Chairman of the Committee are Ex-Officio Members of the Policy & Resources Committee and the Finance Committee; and
- (vii) the protocol for co-option to the Financial Investment Board and the Property Investment Board be agreed.

Members further **RESOLVED** to adjourn the Investment Committee meeting so that the newly appointed Financial Investment and Property Investment Boards could meet and formally appoint their Chairman and Deputy Chairman. This could then inform Members' decision when appointing the Committee's Chairman and Deputy Chairman (as at Items 8 and 9 below).

The Investment Committee adjourned at 2.00pm and reconvened at 2.15pm.

8. ELECTION OF CHAIRMAN

The Committee proceeded to elect a Chairman in accordance with Standing Order No. 29. A list of Members eligible to stand was read and Ray Catt, being the only Member who expressed a willingness to serve, was declared to have been elected as the Chairman of the Investment Committee for the ensuing year.

9. ELECTION OF DEPUTY CHAIRMAN

The Committee proceeded to elect a Deputy Chairman in accordance with Standing Order No. 30. A list of Members eligible to stand was read and Deputy Michael Cassidy, being the only Member who expressed a willingness to serve, was declared to have been elected as the Deputy Chairman of the Investment Committee for the ensuing year.

10. THE GLOBAL ECONOMY AND THE UK AND CENTRAL LONDON PROPERTY MARKET

The City Surveyor introduced Peter Damesick, EMEA Chief Economist at CBRE who then provided Members with an overview of the Central London Real Estate Market Outlook.

The Chairman thanked Mr Peter Damesick and Members asked a number of questions in relation to the presentation.

RECEIVED

11. DECISIONS TAKEN UNDER DELEGATED AUTHORITY AND URGENCY PROCEDURES

There were no decisions taken under Delegated Authority or Urgency Procedures since the previous meeting.

12. QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE

There were no questions.

13. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT

The Chairman expressed his thanks to Robert Hughes-Penney, the outgoing Chairman of the Investment Committee and Financial Investment Board.

Mr Hughes-Penney stated that it had been a pleasure and a privilege to serve on the Committee and he wished Members every success in the future.

14. 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
15 - 16	3
17	3 & 7
19 – 21	-

Part 2 – Non-Public Agenda

15. NON-PUBLIC MINUTES OF THE PREVIOUS MEETING

RESOLVED: That the non-public minutes of the meeting held on 13 January 2012 be approved as an accurate record.

16. NON-PUBLIC MINUTES OF FINANCIAL INVESTMENT BOARD

RESOLVED: That the non-public minutes of the meeting held on 2 February 2012 be noted.

17. NON-PUBLIC MINUTES OF PROPERTY INVESTMENT BOARD

RESOLVED: That the non-public minutes of the meetings held on 18 January 2012, 15 February 2012, 14 March 2012 be noted.

18. SECURITIES AND INVESTMENT STRATEGY UPDATE

Members considered a report, as considered by the Working Party at its previous meeting, which updated Members on work undertaken by the 'Financial Investment Board – Revised Investment Strategy Implementation Member and Officer Working Party' in relation to selecting the City Corporation's Fund Managers.

The Chairman informed the Committee that any decisions would be taken by the Financial Investment Board (rather than the Working Party) and the process would be discussed further at its next meeting on 16 May 2012.

RECEIVED

19. NON-PUBLIC DECISIONS TAKEN UNDER DELEGATED AUTHORITY AND URGENCY PROCEDURES

There were no non-public decisions taken under Delegated Authority or Urgency Procedures since the previous meeting.

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

There were no questions.

21. 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 3.15pm.

CHAIRMAN

Contact Officer: Claire Sherer
tel. no.: 020 7332 1971
claire.sherer@cityoflondon.gov.uk

FINANCIAL INVESTMENT BOARD

09 MAY 2012

Minutes of the meeting of the FINANCIAL INVESTMENT BOARD held at Guildhall, EC2 on WEDNESDAY 09 MAY 2012 at 2.00pm

Present

Members:

Deputy Ken Ayers (Chief Commoner)
Ray Catt
Roger Chadwick
Simon Duckworth
Deputy Anthony Eskenzi
Tom Hoffman
Robert Howard
Anthony Llewelyn-Davies
Deputy Edward Lord
Jeremy Mayhew
Henry Pollard
Mark Boleat (ex-officio)

Officers:

Claire Sherer	- Town Clerk's Department
Matt Pitt	- Town Clerk's Department
Chris Bilisland	- Chamberlain
Caroline Al-Beyerty	- Chamberlain's Department
Paul Mathews	- Chamberlain's Department
Peter Bennett	- City Surveyor
Nick Gill	- City Surveyor's Department

1. APOLOGIES

Apologies for absence were received from Brian Harris, Clare James and Ian Seaton.

2. DECLARATIONS BY MEMBERS OF PERSONAL OR PREJUDICIAL INTERESTS IN RESPECT OF ITEMS TO BE CONSIDERED AT THIS MEETING

There were no declarations.

3. CONFIRMATION OF APPOINTMENT OF THE FINANCIAL INVESTMENT BOARD

The Town Clerk confirmed that at the meeting of the Investment Committee this day, the following Members were appointed to the Financial Investment Board for 2012/13:-

Deputy Ken Ayers (Chief Commoner)
Ray Catt
Roger Chadwick
Simon Duckworth
Deputy Anthony Eskenzi
Brian Harris
Tom Hoffman
Robert Howard
Clare James
Anthony Llewelyn-Davies
Deputy Edward Lord
Jeremy Mayhew
Henry Pollard
Ian Seaton
Mark Boleat (ex-officio)
Stuart Fraser (ex-officio)

4. ELECTION OF CHAIRMAN

The Committee proceeded to elect a Chairman in accordance with Standing Order No. 29. A list of Members eligible to stand was read and Ray Catt being the only Member expressing a willingness to serve was declared to have been elected as Chairman of the Financial Investment Board for the ensuing year.

5. ELECTION OF DEPUTY CHAIRMAN

The Committee proceeded to elect a Deputy Chairman in accordance with Standing Order No. 30. A list of Members eligible to stand was read and Jeremy Mayhew and Henry Pollard expressed a willingness to serve.

A ballot having been taken, votes were cast as follows:-

Henry Pollard	9 votes
Jeremy Mayhew	2 votes

Henry Pollard was declared to have been elected as the Deputy Chairman of the Financial Investment Board for the ensuing year.

6. QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE

There were no questions.

7. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT

There were no urgent items.

The meeting closed at 2.07pm.

CHAIRMAN

Contact Officer: Claire Sherer
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e-mail: Claire.sherer@cityoflondon.gov.uk

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FINANCIAL INVESTMENT BOARD

16 May 2012

Minutes of the meeting of the FINANCIAL INVESTMENT BOARD held at Guildhall, EC2 on WEDNESDAY 16 MAY 2012 at 1.45pm.

Present

Members:

Ray Catt (Chairman)
Henry Pollard (Deputy Chairman)
Deputy Kenneth Ayers
Roger Chadwick
Brian Harris
Tom Hoffman
Robert Howard
Clare James
Anthony Llewelyn-Davies
Deputy Edward Lord
Jeremy Mayhew
Ian Seaton
Stuart Fraser (Ex-Officio)

Officers:

Chris Bilsland	Chamberlain
Paul Mathews	Chamberlain's Department
Mark Bryans	Chamberlain's Department
Claire Sherer	Town Clerk's Department

Part 1 – Public Agenda

1. APOLOGIES

There were no apologies.

2. DECLARATIONS BY MEMBERS OF ANY PERSONAL AND PREJUDICIAL INTERESTS IN RESPECT OF ITEMS ON THIS AGENDA

Henry Pollard declared an interest in that he is employed by Invesco Perpetual, an investment manager.

3. MINUTES OF THE PREVIOUS MEETING

The minutes of the meeting held on 2 February and 9 May 2012 were approved as an accurate record.

4. DECISIONS TAKEN UNDER DELEGATED AUTHORITY AND URGENCY PROCEDURES

The Committee received a report of the Town Clerk relating to a decision taken under urgency procedures which established a £20million Social Investment Fund.

The Chairman emphasised the need to establish a clear strategy around how this fund would be used and where accountability should lie. The Chamberlain advised Members that this would be considered by the Policy & Resources Committee (and possibly its Resource Allocation Sub Committee) and would be reported back to the Board in due course.

RECEIVED

5. QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE

There were no questions.

6. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT

There was no other business as the circulated report on the Appointment of the Financial Investment Board Investment Strategy Member & Officer Working Party was withdrawn with related matters considered under Item 10 instead.

7. 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.

Item No.	Paragraph(s) in Schedule 12A
8 - 12	3
13 - 14	-

Part 2 – Non-Public Agenda

SUMMARY OF MATTERS CONSIDERED WHILST THE PUBLIC WERE EXCLUDED

8. NON-PUBLIC MINUTES OF THE PREVIOUS MEETING

The non-public minutes of the Financial Investment Board meeting held on 2 February 2012 were agreed as an accurate record.

9. MINUTES OF THE INVESTMENT STRATEGY WORKING PARTY

The Committee received the minutes of the Investment Strategy Member and Officer Working Party meeting held on 9 February 2012 and 14 March 2012.

10. PROGRESS REPORT OF THE INVESTMENT STRATEGY WORKING PARTY.

The Committee considered a report of the Chamberlain.

11. INVESTMENTS PERFORMANCE MONITORING AS AT 31 MARCH 2012.

The Corporate Treasurer summarised the performance of the various City Corporation funds as set out in the report.

RECEIVED

12. QUARTERLY INVESTMENT REPORT AS AT 31 MARCH 2012

This report was withdrawn.

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

There were no questions.

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

There was none.

The meeting closed at 2.55pm.

CHAIRMAN

Contact Officer: Claire Sherer

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Email: claire.sherer@cityoflondon.gov.uk

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FINANCIAL INVESTMENT BOARD

Tuesday, 19 June 2012

Minutes of the meeting of the Financial Investment Board held at Committee Room -
2nd Floor West Wing, Guildhall on Tuesday, 19 June 2012 at 1.45pm

Present

Members:

Ray Catt (Chairman)
Henry Pollard (Deputy Chairman)
Deputy Ken Ayers (Chief Commoner)
Roger Chadwick
Deputy Anthony Eskenzi
Brian Harris
Tom Hoffman
Robert Howard
Clare James
Deputy Edward Lord
Jeremy Mayhew
Ian Seaton
Stuart Fraser (Ex-Officio Member)

Officers:

Chris Bilsland	- Chamberlain
Caroline Al-Beyerty	- Chamberlain's Department
Paul Mathews	- Chamberlain's Department
Mark Bryans	- Chamberlain's Department
Claire Sherer	- Clerk to the Committee

Part 1 - Public Agenda

- 1. APOLOGIES**
Apologies were received from Simon Duckworth and Anthony Llewelyn-Davies.
- 2. DECLARATIONS BY MEMBERS OF ANY PERSONAL AND PREJUDICIAL INTERESTS**
There were no declarations.
- 3. MINUTES OF THE PREVIOUS MEETING**
RESOLVED: That the public minutes and non-public summary of the meeting held on 16 May 2012 be approved as an accurate record.
- 4. QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**
Members sought clarification on the role and powers of the Financial Investment Board and other related Committees and requested that a paper be

brought to the next meeting of the Investment Committee, setting out the agreed role and powers of the Board along with the role of the Investment Committee (its parent Committee) and how this fits with the strategic role of the Policy & Resources Committee and its Resources Allocation Sub Committee.

RESOLVED: That a report would be submitted to the 20 July 2012 Investment Committee, defining the role and powers of the Investment Committee, Financial Investment Board, Policy & Resources and its Resource Allocation Sub Committee.

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

There was no other business.

6. **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
7 - 10	3
11 - 12	-

Part 2 - Non-Public Agenda

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

RESOLVED: That the non-public minutes and of the meeting held on 16 May 2012 be approved as an accurate record, subject to further clarification that all decisions in relation the revised Investment Strategy would be made by the full Financial Investment Board.

8. **FINANCIAL RISKS TO THE 2012/13 CAPITAL PROGRAMME**

Members considered a report of the Chamberlain which set out proposals on the action needed to address some identified financial risks to the 2012/13 capital programme.

RESOLVED: That the recommendations as set out in the report be approved.

9. **SECURITIES INVESTMENTS - STRATEGY REVIEW**

The Board considered a report of the Chamberlain, discussed the various aspects of the report and agreed a number of recommendations.

10. **QUARTERLY INVESTMENT REPORT AS AT 31 MARCH 2012**

Members considered Aon Hewitt's quarterly investment report as at 31 March 2012.

RECEIVED

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

There were no non-public questions.

12. 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 ended at 3.42pm

Chairman

**Contact Officer: Claire Sherer
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claire.sherer@cityoflondon.gov.uk**

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PROPERTY INVESTMENT BOARD

WEDNESDAY 9 MAY 2012

Minutes of the meeting of the PROPERTY INVESTMENT BOARD held at Guildhall, EC2 on WEDNESDAY 9 MAY 2012 at 2.07PM.

Present

Members:

Deputy Kenneth Ayers (Chief Commoner)
Ray Catt
Deputy Michael Cassidy
Roger Chadwick
Simon Duckworth
Archie Galloway
Tom Hoffman
Robert Hughes-Penney
Deputy Edward Lord
Jeremy Mayhew
Henry Pollard
Ian Seaton

Officers:

Claire Sherer	- Town Clerk's Department
Matt Pitt	- Town Clerk's Department
Daniel Hooper	- Town Clerk's Department
Chris Bilsland	- Chamberlain
Peter Bennett	- City Surveyor
Nic Gill	- City Surveyor's Department

1. APOLOGIES

Apologies for absence were received from Alderman Finch, George Gillon, Brian Harris and Clare James.

2. DECLARATIONS BY MEMBERS OF PERSONAL OR PREJUDICIAL INTERESTS IN RESPECT OF ITEMS TO BE CONSIDERED AT THIS MEETING

There were no declarations.

3. CONFIRMATION OF APPOINTMENT OF THE PROPERTY INVESTMENT BOARD

The Town Clerk confirmed that at the meeting of the Investment Committee this day, the following Members were appointed to the Property Investment Board for 2012/13:-

Deputy Ken Ayers (Chief Commoner)
Deputy Michael Cassidy
Roger Chadwick
Deputy Anthony Eskenzi
Martin Farr
Alderman Sir Robert Finch
Archie Galloway
George Gillon
Brian Harris
Michael Hudson
Deputy Keith Knowles (subject to his agreement)
Deputy Edward Lord
Mark Boleat (ex-officio)

(Together with the Chairman of the Investment Committee)

4. ELECTION OF CHAIRMAN

The Committee proceeded to elect a Chairman in accordance with Standing Order No. 29. A list of Members eligible to stand was read and Deputy Michael Cassidy being the only Member expressing a willingness to serve was declared to have been elected as Chairman of the Property Investment Board for the ensuing year.

5. ELECTION OF DEPUTY CHAIRMAN

The Committee proceeded to elect a Deputy Chairman in accordance with Standing Order No. 30. A list of Members eligible to stand was read and Archie Galloway being the only Member expressing a willingness to serve was declared to have been elected as Deputy Chairman of the Property Investment Board for the ensuing year.

6. QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE

There were no questions.

7. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT

There were no items of urgent business.

The meeting closed at 2.15pm.

CHAIRMAN

**Contact Officer: Claire Sherer
tel. no. 020 7332 1971**

PROPERTY INVESTMENT BOARD

Wednesday, 23 May 2012

Minutes of the meeting of the Property Investment Board held at Guildhall on
Wednesday, 23 May 2012 at 1.45pm

Present

Members:

Deputy Michael Cassidy (Chairman)
Archie Galloway (Deputy Chairman)
Roger Chadwick
Deputy Anthony Eskenzi
Martin Farr
George Gillon
Brian Harris
Michael Hudson

Officers:

Susan Attard	- Deputy Town Clerk
Matthew Pitt	- Town Clerk's Department
Lorraine Brook	- Town Clerk's Department
Daniel Hooper	- Town Clerk's Department
Peter Bennett	- City Surveyor
Nicholas Gill	- City Surveyor's Department
Tom Leathart	- City Surveyor's Department
John James	- City Surveyor's Department
Colin Wilcox	- City Surveyor's Department
Alan Bennetts	- City Solicitor

1. APOLOGIES FOR ABSENCE

Apologies were received from Deputy Kenneth Ayers, Mark Boleat, Deputy Keith Knowles and Deputy Edward Lord.

2. DECLARATIONS OF INTEREST

There were no declarations of interest by Members.

3. RESOLUTION OF THE INVESTMENT COMMITTEE

The resolution of the Investment Committee of 9 May 2012 appointing the Board was received.

4. MINUTES

The public minutes of the meeting held on 18 April 2012 and the minutes of the meeting held on 9th May 2012 were approved.

5. **PROPERTY INVESTMENT BOARD - TERMS OF REFERENCE, FREQUENCY OF MEETINGS, 2012-2013 WORK PROGRAMME AND PROTOCOL FOR CO-OPTION**

The Board considered a report of the Town Clerk seeking approval for its Terms of Reference and frequency of meetings. The Board was further asked to receive the meeting dates and consider the proposed schedule of work for the remainder of 2012/2013.

The City Surveyor circulated a revised work programme for 2012/2013.

RESOLVED:- That -

- (i) the Property Investment Board's Terms of Reference be noted;
- (ii) the frequency of the Board's meetings be noted; and
- (iii) the revised work programme for 2012/2013, circulated by the City Surveyor at the meeting, be approved.

6. **CITY WIFI NETWORK OVERVIEW**

Members received a report of the City Surveyor providing an overview of the City WiFi network hosted by The Cloud, and an update on the recent network upgrade and renewal of contract.

The City Surveyor informed Members that where there had previously been problems with some of the WiFi access nodes, progress had been made by The Cloud and the number of problem nodes had been reduced from 19 down to 5, which would result in a much improved service.

Members expressed a strong view that, as a leading world financial centre, the City of London ought to have the most comprehensive and advanced municipal WiFi that was free at the point of use. The City Surveyor advised Members that discussions had been held with The Cloud relative to providing a free service to users and that the service operator was now looking into the feasibility of such an arrangement.

RECEIVED.

7. **MARCHE INTERNATIONALE DES PROFESSIONNELS D'IMMOBILIER (MIPIM 2012)**

The Board considered a report of the City Surveyor informing Members of the City of London's Activities at the Marche Internationale des Professionnels d'Immobilier (MIPIM) property exhibition 2012, and seeking approval to attend the event in 2013.

RESOLVED: that –

- (i) the report on MIPIM 2012 be received; and
- (ii) it be approved for the City of London Corporation to attend MIPIM 2013 with a budget not exceeding £85,000 noting that should costs or circumstances change, a further report would be brought before the Board in November with further recommendations.

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

There were no questions.

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

There were no items of urgent business.

10. **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 1 of Schedule 12A of the Local Government Act:-

Item No.	Exempt Paragraph/s
11-18	3
19-20	-

11. **MINUTES**

The non-public minutes of the meeting held on 18th April 2012 were approved.

12. **CITY'S ESTATE - LETTING REPORT**

The Board approved a report of the City Surveyor.

13. **CROSSRAIL INVESTMENT STRATEGY - ANNUAL UPDATE**

A report of the City Surveyor was approved by the Board.

14. **CITY FUND - LETTING REPORT**

The Board approved a report of the City Surveyor.

15. **200 ALDERSGATE AND 20 LITTLE BRITAIN, EC1 - VARIATION OF LEASE**

The Board approved a report of the City Surveyor.

16. **28 GREAT TOWER STREET, EC3 - GATEWAY 3 OUTLINE OPTIONS APPRAISAL REPORT**

The Board approved a report of the City Surveyor.

17. **BRIDGE HOUSE ESTATES - LETTING REPORT**

A report of the City Surveyor was approved by the Board.

18. **RENTAL FORECASTS MONITORING REPORT**

The Board received a report of the City Surveyor.

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

There were no questions.

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

70 Mark Lane

The Board received a verbal update of the City Surveyor.

119 New Bond Street

The Board received a verbal update of the City Surveyor.

The meeting ended at 2.24pm

Chairman

**Contact Officer: Matthew Pitt
tel. no.: 020 7332 1425
Matthew.Pitt@cityoflondon.gov.uk**

PROPERTY INVESTMENT BOARD

Wednesday, 20 June 2012

Minutes of the meeting of the Property Investment Board held at Guildhall on
Wednesday, 20 June 2012 at 1.45pm

Present

Members:

Deputy Michael Cassidy (Chairman)
Archie Galloway (Deputy Chairman)
Deputy Ken Ayers (Chief Commoner)
Roger Chadwick
Deputy Anthony Eskenzi
Martin Farr
Alderman Sir Robert Finch
George Gillon
Brian Harris
Michael Hudson

Officers:

Susan Attard	- Deputy Town Clerk
Matthew Pitt	- Town Clerk's Department
Daniel Hooper	- Town Clerk's Department
Caroline Al-Beyerty	- Chamberlain's Department
Alan Bennetts	- Comptroller & City Solicitor's Department
Peter Bennett	- City Surveyor
Nicholas Gill	- City Surveyor's Department
John James	- City Surveyor's Department
Tom Leathart	- City Surveyor's Department
Trevor Nelson	- City Surveyor's Department

1. APOLOGIES FOR ABSENCE

Apologies were received from Mark Boleat, Deputy Edward Lord and Deputy Keith Knowles.

2. DECLARATIONS OF INTEREST

There were no declarations of interest.

3. MINUTES

The public minutes of the meeting held on 23 May 2012 were approved.

Matters Arising: -

City WiFi Network Overview

The City Surveyor advised Members that talks were still on-going with The Cloud in relation to providing a WiFi network that was free at the point of use and added that he hoped to bring Members a further update at a future meeting.

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

There were no questions.

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

There were no urgent items.

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 as follows: -

<u>Item No.</u>	<u>Exempt Paragraphs</u>
7 – 15	3
16 – 17	-

7. **NON-PUBLIC MINUTES , 23/05/2012 PROPERTY INVESTMENT BOARD**

The non-public minutes of the meeting held on 23 May 2012 were approved.

8. **CITY FUND, CITY'S ESTATE AND BRIDGE HOUSE ESTATES AND STRATEGIC PROPERTY ESTATE - ANNUAL VALUATION**

The Committee received a report of the City Surveyor.

RECEIVED.

9. **FINANCIAL RISKS TO THE 2012/13 CAPITAL PROGRAMME**

The Board approved a report of the Chamberlain.

10. **PROCUREMENT & PROCURE TO PAY - MINOR WORKS**

The Board approved a report of the City Surveyor and the Chamberlain.

11. **CITY FUND - LETTING REPORT**

The Board approved a Report of the City Surveyor.

12. **CITY FUND HIGHWAY DISPOSAL - BLACKFRIARS PASSAGE, EC4 - REVISED LONGSTOP COMPLETION DATE**

The Board approved a report of the City Surveyor.

13. **3-10 SHOREDITCH HIGH STREET SECURITY PROVISION**

The Board approved a report of the City Surveyor.

14. **CITY FUND - 1 ALIE STREET, LONDON , E1 REFURBISHMENT OF FIRST & SIXTH FLOORS**

The Board received a report of the City Surveyor.

RECEIVED.

15. **BRIDGE HOUSE ESTATES - LETTING REPORT**

The Board approved a report of the City Surveyor.

16. QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE

There were no questions.

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

There was one urgent item.

The meeting ended at 2.22pm

Chairman

**Contact Officer: Matthew Pitt
tel. no.: 020 7332 1425
Matthew.Pitt@cityoflondon.gov.uk**

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Agenda Item 6

Committee(s): Investment Committee	Date(s): 20 July 2012
Subject: Review of the Governance Arrangements implemented in 2011	Public
Report of: Town Clerk (on behalf of the Post Implementation Governance Review Working Party)	For Decision

Summary

The Court has agreed that a Working Party should be established to undertake a post-implementation review of the revised governance arrangements agreed in March 2011 after twelve months of their operation, to take stock of the new governance arrangements and how they are working.

The purpose of this report, prepared on behalf of the Working Party, is to seek comments, if any, from each Committee on the governance arrangements introduced last year and the impact that they may have had on the operation of your Committee.

Recommendation: It is recommended that this Committee considers whether it wishes to make any representations to the Working Party on the revised governance arrangements in so far as it affects this Committee.

Main Report

Background

1. The Court has agreed that a Working Party should be established to undertake a post-implementation review of the revised governance arrangements agreed in March 2011 after twelve months of their operation, to take stock of the new governance arrangements and how they are working.
2. For the purposes of clarification, this review is not, therefore, in relation to any new governance initiatives but is restricted to considering the operation and effectiveness of the revised arrangements implemented last year. A summary of the revised governance arrangements is contained Appendix A.

Views on the Governance Arrangements

3. The Working Party has agreed that the most effective and inclusive way of identifying whether there are any issues arising out of the operation of the revised arrangements is to seek the views of the various City Corporation Committees and all Members of the Court individually. This will enable

comments to be expressed in the context of the operation of the various Committees (including observations from non-City Corporation Members) and will also allow all Members to have their say individually and raise any points; all of which will help to inform the work of the Working Party.

4. The purpose of this report is to seek a view on whether any representations should be made to the Working Party on the revised governance arrangements in so far as they affect this Committee. All of the views expressed will be collated and submitted to a further meeting of the Working Party in September.

Background Papers:

Summary of the revised governance arrangements agreed by the Court of Common Council in March 2011.

Appendix A: Summary of the revised governance arrangements

Contact:

Simon Murrells |
simon.murrells@cityoflondon.gov.uk |
0207 332 1418

Summary of the Governance Changes Implemented in April 2011

Set out below are the changes agreed by the Court on 3 March 2011 which have been in operation since 1st April 2011.

A. The Court of Common Council

A1. Not less nine Court meetings are now held each year (reduced from eleven) and a short spring recess now takes place on an annual basis.

A2. At least two informal or private Member meetings (at which no decisions could be taken) are arranged each year. This is on the basis that they do not proceed if there is insufficient business;

A3. Any Member, provided that he or she has the support of twenty other Members, can requisition a report and/or a decision of any of the City Corporation's Committees for consideration and final decision by the Court of Common Council, provided that such action does not preclude a decision being taken and/or implemented that was necessary for legal reasons or for the efficient conduct of the City Corporation's business;

A4. Standing Order No.11 governing the conduct of debate in the Court of Common Council has been amended as follows:

- in addition to the current arrangements governing debate, a further provision be made enabling all Members to speak on a second occasion for no longer than two minutes; and
- should the mover of an amendment to a motion choose to speak for a second time (on the amendment), he or she shall be the penultimate speaker on the amendment (the mover of the original motion being the final speaker on the amendment).

A5. Standing Orders governing the number of supplementary questions that may be asked has been amended so as to increase from two to three the number of other Members (ie not the Member asking the question) allowed to ask two supplementary questions provided that the supplementary questions arise naturally out of the original question and the answer to it;

A6. Standing Orders have been amended so as to increase the time limit for putting and answering questions, including supplementary questions, from 30 minutes to 40 minutes;

A7. To avoid the period allocated for asking and responding to questions being taken up with issues concerned with awards, prizes and memorials, a regular item is now placed on the summons for meetings of the Court to enable such matters to be reported upon in writing.

B. Ward Committees

B1. The Planning & Transportation, Port Health & Environmental Services, Markets, Finance and Community & Children's Services Committees remain as Ward Committees.

B2. All Wards are now able to choose whether or not to nominate a Member (or Members) to serve on Ward Committees rather than being obliged to nominate a Member (or Members) or 'pair' with another Ward;

B3. Where there are vacant or unfilled places on a Ward Committee by virtue of a Ward not making a nomination(s), the vacant or unfilled place can be advertised to all Members and filled by the Court;

B4. Any Ward having six or more Members can nominate up to two Members to a Ward Committee irrespective of whether a Ward has sides;

B5. In addition to the Chairman of the Policy & Resources Committee, the Deputy Chairman of the Policy & Resources Committee is now an ex-officio Member of the Finance Committee. This complements the current arrangement whereby the Chairman and Deputy Chairman of the Finance Committee are ex-officio Members of the Policy & Resources Committee;

B6. The remit of the Finance Committee has been widened to include performance monitoring and its terms of reference adjusted to reflect this. The performance monitoring was to be undertaken by the Estimates Working Party (EWP) or such body determined by the Finance Committee. (NB: Finance Committee subsequently agreed to dispense with EWP and created an Efficiency and Performance Sub-Committee to deal with this area of activity).

B6a. In addition to the above, the constitution of the Finance Committee was amended by the Court on 8 September 2011 to include the Chairman and Deputy Chairman of the Investment Committee, creating a reciprocal arrangement between the Policy and Resources, Finance and Investment Committees (see F2 and J4 below).

B7. All Wards that have 200 or more residents (based on the ward list) are able to nominate a maximum of two Members to the Community & Children's Services Committee; under this arrangement, the current provision for four Members to be elected by the Court, at least two of whom shall represent the main four residential wards, was discontinued; and

B8. The Community & Children's Services Committee was asked to consider giving oversight of its housing management activities (excluding the Barbican Estate) to a sub-committee (with power to act) to enable greater focus in that area. (NB: The Community & Children's Services Committee subsequently created the Housing Management Sub-Committee to oversee the City Corporation's housing activities).

C. Culture, Heritage and Libraries Committee

C1. A new Culture, Heritage and Libraries Committee was established with responsibility for matters relating to culture, heritage, tourism and visitors

including overseeing the development of policies and strategies in those areas. It also took on:

- the responsibilities of the Libraries, Archives & Guildhall Art Gallery Committee which ceased to exist;
- the various tourism, heritage and Benefices activities and responsibilities currently undertaken by the City Lands & Bridge House Estates Committee which also ceased to exist;
- oversight of the City Corporation's Visitor Strategy, the City of London Festival and the management of the City Information Centre from the Policy and Resources Committee; and
- the management of Keats House from the Keats House Management Committee. A Consultative Committee should continue to operate although the detailed arrangements would be a matter for the Culture, Heritage and Libraries Committee to determine.

D. City Lands and Bridge House Estates Committee

D1. The City Lands and Bridge House Estates (CLBHE) Committee ceased to exist and its work merged with the work of other Committees, such as the new Culture, Heritage and Libraries Committee and the new Investment Committee. Other elements of CLBHE Committee's work was transferred to the Policy & Resources Committee and is managed by dedicated Sub-Committees. For example, the management of operational property is now undertaken by the Corporate Asset Sub-Committee and hospitality and Members' privileges activities are undertaken by the Hospitality Working Party and the Members' Privileges Sub-Committee both of which are chaired by the Chief Commoner.

D2. Where previously the CLBHE Committee would have hosted an event of City Corporation hospitality, the Chief Commoner now oversees the detail for that event in line with parameters set by the Hospitality Working Party. The number of Members to comprise the host element is also determined by the Hospitality Working Party on the basis of a rota maintained by the Town Clerk, together with other Members with a special connection with or interest in the guest organisation.

E. The office of Chief Commoner

E1. Candidates for the office of Chief Commoner are nominated by not less than 10 other Members and he or she is elected by the whole Court of Common Council from amongst the Common Councilmen (the expectation is that Aldermen will not vote in the election for Chief Commoner);

E2. For 2011, the election of Chief Commoner was held in April and thereafter, the election is held in September of each year, prior to the successful candidate taking office in April, to enable a period of 'lead-in';

E3. The 'job description' for the office of Chief Commoner was approved;

E4. The Chief Commoner remains an ex-officio Member of the Policy and Resources Committee and is also Chairman of any sub-committees

responsible for City of London Corporation hospitality and Members' privileges;

E5. Provision has been made in Standing Orders to enable the Chief Commoner to report on and speak to activities and responsibilities of the sub-committees referred to in E4 above in the Court of Common Council; and

E6. The Chief Commoner is not able to be Chairman of any City of London Corporation committee with the exception of the sub-committees referred to above. However, as with other chairmanships, the Chief Commoner is able to continue an existing chairmanship until the next meeting of the relevant committee when a new chairman shall be elected.

F. Investment Committee

F1. This new non-ward committee was established. The Investment Committee has responsibility for managing and overseeing the City Corporation's property and non-property investments in accordance with approved strategies and policies;

F2. The Investment Committee comprises 14 Members elected by the Court of Common Council, 8 Members appointed by the Policy and Resources Committee from amongst all Members of the Court, together with the Chairmen and Deputy Chairmen of the Policy and Resources and the Finance Committees in an ex-officio capacity but with voting rights;

F3. The Investment Committee appoints and maintains two Boards, one for each investment area (property and non-property) for the purposes of detailed scrutiny and decision taking, with the Chairman of the Investment Committee is also able to be Chairman of one of the Boards;

F4. The Boards are empowered to co-opt people with relevant expertise or experience, including non-Members of the Court, to assist in their deliberations; and

F5. Provision has been made in Standing Orders to enable the Chairmen of both Boards to report on and speak to their respective 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.

G. Audit and Risk Management Committee

G1. A new non-ward committee, Audit and Risk Management was with responsibility for the City Corporation's activities and responsibilities in these areas (with the Finance Committee relinquishing its current responsibilities for audit and risk); and

G2. The Audit and Risk Management Committee shall comprise 9 Members elected by the Court of Common Council (the Chairman of the Policy and Resources, Finance and Investment Committees not being eligible for election to the Committee), 3 external Members (ie non-Members of the Court of Common Council), the Chairman and Deputy Chairman of the Finance Committee (ex-officio with no voting rights) and a representative of the Policy and Resources Committee also in an ex-officio capacity with no voting rights.

G3. The Deputy Chairman of Audit and Risk is not able to be Chairman of another committee.

I. Open Spaces Committees

I1. The management of the City Corporation's open spaces is now maintained by three Non-Ward Committees, as follows:-

(i) Open Spaces, City Gardens and West Ham Park Committee comprising 8 Members elected by the Court of Common Council together with the Chairmen and Deputy Chairmen of the Hampstead Heath, Highgate Wood and Queen's Park and the Epping Forest and Commons Committees (see below) in an ex-officio capacity. The Committee is responsible for setting overall strategy for the operation of the City Corporation's open spaces and for the management of City Gardens. It is also responsible for the management of West Ham Park. This area of work is undertaken separately from the Committee's other business and the Committee's composition includes 4 representatives nominated by the Heirs-at-Law of the late John Gurney, 1 representative nominated by the Parish of West Ham and 2 representatives nominated by the London Borough of Newham;

(ii) Hampstead Heath, Highgate Wood and Queen's Park Committee comprising at least 12 Members elected by the Court of Common Council together with the Chairman and Deputy Chairman of the Open Spaces, City Gardens and West Ham Park Committee (see above) in an ex-officio capacity. The Committee is responsible for the management of Highgate Wood and Queen's Park. It is also responsible for the management of Hampstead Heath with this area of work being undertaken separately from the Committee's other business. The composition of the Committee includes at least 6 external representatives which must include 1 representative of the London Borough of Barnet, 1 representative of the London Borough of Camden, 1 representative of the owners of Kenwood lands and 3 persons representing local, ecological, environmental or sporting interests; and

(iii) Epping Forest and Commons Committee comprising 12 Members of the Court of Common Council including 10 Members elected by the Court of Common Council together with the Chairman and Deputy Chairman of the Open Spaces, City Gardens and West Ham Park Committee (see above) in an ex-officio capacity, to be responsible for the management of Burnham Beeches and the City Commons. The Committee also manages Epping Forest and this area of work is undertaken separately from the Committee's other business. The composition of the Committee includes 4 Verderers elected or appointed pursuant to the Epping Forest Act 1878. If the Chairman and/or Deputy Chairman of the Open Spaces, City Gardens and West Ham Park Committee are already Members of the Epping Forest and Commons Committee in their own right, the vacancy(s) are filled by the Court of Common Council.

J. Policy and Resources and Police Committees and the Boards of the Governors of the City Schools

Policy and Resources Committee

J1. Of the five vacancies that becomes available on the Policy Committee each year, one place is now reserved for a Member with less than 10 years' service on the Court, resulting in at least four places on the Committee for Members with less than 10 years' service at the time of their appointment;

J2. In view of the synergies between the work of the Energy Working Party (previously of the City Lands and Bridge House Estates Committee) and the Sustainability Working Party (of the Policy and Resources Committee), the work has been merged and transferred to the Policy Committee and is operated through a dedicated Sub-Committee (the Energy and Sustainability Sub-Committee) whose membership can be drawn from the whole Court;

J3. The Policy and Resources Committee is responsible for providing additional scrutiny, oversight and challenge for the management of major projects and programmes of work, including, amongst other things, considering all proposals for capital and supplementary revenue projects (including those which may be funded from external sources), and determining, at detailed options appraisal stage, whether projects should be included in the capital and supplementary revenue programme as well as the phasing of any expenditure. This work is undertaken by a dedicated sub-committee, the Projects Sub-Committee, which comprises 3 Members appointed by the Policy and Resources Committee, 2 Members appointed by the Finance Committee. The Projects Sub-Committee is also able to co-opt 2 further Members from the Court of Common Council with relevant experience.

J4. The Policy & Resources Committee was asked to review its various ex-officio appointments. A review was subsequently undertaken and the outcome reported to the Court on 8 September 2011. Whilst it was felt that the current ex-officio places were still relevant, the Court acknowledged that culture was an area which over the years had become more prominent and which also had substantial resource implications. It was therefore agreed that the Chairman of the new Culture, Heritage and Libraries Committee should become an ex-officio Member of the Policy Committee. Similarly, the development and management of the City Corporation's investment portfolio (property and non-property) was considered to be of great significance and the Court also agreed that the Chairman and Deputy Chairman of the Investment Committee should also serve as ex-officio members, creating a reciprocal arrangement between the Policy and Resources, Finance and Investment Committees.

Police Committee

J5. For the purposes of continuity the length of service of the Chairman of the Police Committee was extended to a term not exceeding four years;

J6. The current restriction whereby no Member of the Court of Common Council is eligible to serve on the Police Committee until such time as they have served a minimum of two years on the Court, should be removed (NB:

The constitution of the Police Committee has been reviewed since the governance review).

Boards of Governors of the City of London School, the City of London School for Girls and the City of London Freeman's School

J7. The three City School Boards were recommended to consider establishing a Working Party comprising key Members from each Board such as the Chairmen and Deputy Chairmen, to discuss important issues that may be of common interest, for example pay awards.

J8. The restriction whereby no Member can serve on more than one Board of Governors was removed.

K. Service on City Corporation Committees and Outside Bodies

Reserving places on Non-Ward Committees for 'newer' Members

K1. With the exception the Policy and Resources Committee which has separate arrangements, 10% of places (where 10% results in a fraction it should be rounded down, subject to at least one place being reserved on every non-Ward Committee for a Member falling in to this category) on all elected committees are reserved for Members with less than 5 years' service at the time of their appointment.

Limiting the number of Grand Committees on which a Common Councilman can serve at any one time

K2. The number of grand committees on which a Common Councilman can serve at any one time (excluding appointments or nominations to committees in an ex-officio capacity) is limited to no more than eight.

Limiting the number of Outside Bodies that a Member can serve on

K3. The number of outside bodies that a Member can serve on at any one time (excluding appointments that are by virtue of Office or in an ex-officio capacity) is limited to no more than six. If a vacancy cannot be filled from the Common Council, then such vacancy can be filled by non-Members, including officers on the basis that there are no issues of major concern to the work of the City Corporation likely to arise;

K4. Appointments to outside bodies are made by the Court of Common Council at meetings other than the meeting at which the appointment of Committees is undertaken.

L. Other Committee Issues

Publishing data of attendance by Members at Committee Meetings

L1. Data relating to the attendance of Members at committee, sub-committee and Court meetings was to be more accessible and placed on-line on the City Corporation's website provided that the figures are put in context (ie attendances should be shown together with the actual number of opportunities to attend).

Submission of supporting statements

L2. Members seeking election as Chairmen and Deputy Chairmen of committees are now able voluntarily to submit a statement of no more than 300 words in support of their candidature in advance of the meeting at which the election is to be held.

Frequency of Committee meetings

L3. The frequency of Committee meetings be reviewed and determined by individual Committees, as was presently the case.

Sub-Committees, Working Parties and 'Workshop' style meetings

L4. The constitutional position of sub-committees and working parties and informal 'workshop' style meetings or Member and officer working groups was noted and the Court requested that all Committees review their current arrangements to ensure that they conform to the principles outlined; and

L5. The concept of informal 'workshop' style meetings in appropriate circumstances was accepted in order to improve communication and increase interaction, particularly between Members and officers, at an early stage in major complex, costly or contentious proposals.

Committee Papers and Minutes

L6. Committee reports, minutes and papers are to be concise and to the point and that no late papers should be dispatched without the relevant Committee Chairman's consent having first been obtained;

L7. Agendas, reports and other papers shall continue to be dispatched in hard-copy, but greater use of electronically circulated papers be made; and

L8. A standard of seven working days after the Court of Common Council or Committee meetings should be set within which officers will seek to circulate the draft minutes to all Members (or Members of the relevant Committee).

Outgoing Chairmen

L9. In addition to the above it was subsequently agreed that in order to assist with arrangements for the election of a deputy chairman, outgoing Chairmen should be required to give notice of their intention to stand down.

M. Terms of Reference, Delegations and Standing Orders

M1. A scheme for the Appointment of Members on Committees and Terms of Reference for the City of London Corporation Committees was approved;

M2. The Framework for Accountability and Delegation approved by the Court in January 2005 was endorsed and individual Committees asked to review delegations to officers to ensure that they are appropriate and relevant.

M3. Revised Standing Orders were agreed and the Town Clerk authorised, in consultation with the Chairman and Deputy Chairman of the Policy and Resources Committee, to make any necessary consequential changes to

Standing Orders to take account of the decisions relating to the new governance arrangements.

N. Post Implementation Review

N1. Subject to the Court approving these new arrangements, a post-implementation review be undertaken after 12 months of their operation, with the membership of the working party being agreed by the Court, in order to take stock of the new governance arrangements and how they are working. This would include the operation of the Policy and Resources Committee. The Court subsequently approved the membership of the Post-implementation Review of the Governance Working Party on 8 September 2011.

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Agenda Item 7

Committee(s):	Date(s):
Investment	20 July 2012
Subject: Role and powers of the Investment Committee	Public
Report of: Town Clerk	For Information
<u>Summary</u>	
<p>This report seeks to clarify the terms of reference, roles and responsibilities of the Investment Committee, in relation to that of other Committees with oversight over City Corporation investments.</p> <p>It has been recognised by this Committee that certain responsibilities, especially in areas of finance through its Financial Investment Board, are not always clear. This is because other Committees also have oversight of financial matters, investments and allocations.</p>	
Recommendations	
<ul style="list-style-type: none">• That the Committee note the contents of this report.	

Main Report

Background

1. The Investment Committee was created in 2011 following the review of the City Corporation governance arrangements. The review sought to create improved management arrangements for the City Corporation's investments, both property and non-property. The Committee was given responsibility for the management and oversight of these investments in accordance with approved strategies and policies.
2. Two Boards were established to manage and scrutinise property and non-property investments; the Property Investment Board and the Financial Investment Board.
3. The responsibilities of the grand Investment Committee and the two Investment Boards are laid out in their terms of reference at appendix A.

Current Position

4. This Committee has sought clarification on the role of the Investment Committee in respect of the responsibilities of other committees and sub-committees.
5. Following the new governance arrangements implemented in 2011, the updated terms of reference of the committees involved in the investment strategy reflect the different responsibilities in this area.

6. Overall, the Policy and Resources Committee approve the investment strategy. This strategic oversight is supported by the Resource Allocation Sub-Committee, which allocates the amount to be invested in securities and property assets. This is allocated in accordance with the investment strategy.
7. The Financial and Property Investment Boards take the operational investment decisions. These Boards have decision-making and scrutiny powers over how the allocated funding is used.
8. The Investment Committee has oversight responsibilities of the two Investment Boards. Monitoring the operational decisions taken by these Boards.
9. Below is an update on the roles and responsibilities of the committees impacted by the investment strategy.

The role of the Policy and Resources Committee

10. Alongside the Investment Committee and the Investment Boards, the Policy and Resources Committee retains oversight of resource allocation, including financial resources, and corporate assets, in respect of the strategic priorities of the City Corporation. The Committee also agrees the City Corporation investment strategy.
11. The oversight responsibilities of the Investment Committee fall within the framework and strategies agreed by the Policy and Resources Committee.

The role of the Resource Allocation Sub-Committee

12. The Resource Allocation Sub-Committee supports the Policy and Resources Committee through recommending the allocation of financial resources in respect of the City Corporation's capital and revenue expenditure.
13. It also has responsibility for determining the investment proportions between property and non-property assets on behalf of the Policy and Resources Committee, who retains strategic oversight of this allocation.

The role of the Financial Investment Board

14. In accordance with the investment strategy and following the allocation of financial resources from the Resource Allocation Sub-Committee, the Financial Investment Board determines and approves financial management and investment matters.

15. This includes having oversight of the appointment and performance of investment managers. This includes approving the overall parameters within which the investment fund managers will be authorised to operate.
16. Investment managers are appointed by the Board to provide advice on the City Corporation's financial investments and to invest in markets and financial products, as determined by this Board.
17. The Board has responsibility for determining the proportion of funding to be invested in securities, such as equities and bonds etc. following the funding allocation from the Resource Allocation Sub-Committee.

The role of the Property Investment Board

18. The Property Investment Board determines and approves management and investment matters relating to property in accordance with management plans and investment strategies, as agreed by the Policy and Resources Committee. This includes acquiring and disposing of City Corporation property assets.
19. The Property Investment Board must report the activities and performance of its investment property portfolios to the Investment Committee. It is not obligated to report to the Investment Committee on corporate or operational properties, only those that are part of the investment property strategy. These are property investments that are held to generate a return on the investment.

The role of the Investment Committee

20. Where the Policy and Resources Committee has strategic oversight over resource allocation, the Investment Committee has oversight responsibilities in respect of the operational functions of the Property and Financial Investment Boards.
21. The two Investment Boards must report back to the Investment Committee, as outlined in the Committee's work programme.

Conclusion

22. As the report outlines, the role of the Investment Committee is to have oversight over the operational decisions taken by the Property and Financial Investment Boards.
23. The Policy and Resources Committee has oversight over the allocation of resources, including financial, in accordance with the City Corporation's strategic priorities.

Appendices

Appendix A – The terms of reference for the following Committees and Boards:
Policy and Resources Committee; Resource Allocation Sub-Committee;
Investment Committee; Financial Investment Board; and the Property
Investment Board.

Contact:

Dan Hooper | daniel.hooper@cityoflondon.gov.uk | 0207 332 1432

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