

INVESTMENT COMMITTEE

Wednesday, 16 January 2019

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

Present

Members:

Andrew McMurtrie (Chairman)	Michael Hudson
Deputy Alastair Moss (Deputy Chairman)	Deputy Clare James
Nicholas Bensted-Smith	Tim Levene
Sir Mark Boleat	Andrien Meyers
Deputy Michael Cassidy	Ian Seaton
John Chapman	Deputy Philip Woodhouse
Alderman Alison Gowman	Deputy Catherine McGuinness (Ex-Officio Member)
Deputy Tom Hoffman	Jeremy Mayhew (Ex-Officio Member)
Alderman Robert Howard	Deputy Jamie Ingham Clark (Ex-Officio Member)

Officers:

Peter Kane	- Chamberlain
Caroline Al-Beyerty	- Chamberlain's Department
Kate Limna	- Chamberlain's Department
Paul Wilkinson	- City Surveyor
Nicholas Gill	- City Surveyor's Department
Tim Wilson	- City Bridge Trust

1. APOLOGIES

Apologies for absence were received from Henry Colthurst, Simon Duckworth, Christopher Hayward, Dhruv Patel, Deputy Henry Pollard, James de Sausmarez and Deputy Tom Sleigh.

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 9 May 2018 be approved as an accurate record.

4. MINUTES OF THE FINANCIAL INVESTMENT BOARD

RESOLVED - That the public minutes and non-public summary of the Financial Investment Board meetings held on 24 May 2018, 12 July 2018, 20 September 2018 and 22 November 2018 be noted.

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

RESOLVED - That the public minutes and non-public summary of the Property Investment Board meetings held on 16 May 2018, 13 June 2018, 18 July 2018, 12 September 2018, 10 October 2018 and 7 November 2018 be noted.

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

RESOLVED - That the public minutes and non-public summary of the Social Investment Board meetings held on 20 June 2018 and 17 October 2018 be noted.

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

The Committee considered a report of the Town Clerk asking the Committee to review its terms of reference. A Member suggested that point (d) be slightly amended to reflect that the Investment Committee recommended proportions between property and non-property assets, rather than prescribing them. The Committee agreed to this amendment.

RESOLVED – That, pending the above amendment, the Committee's terms of reference be approved for submission to the Court.

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

The Committee considered a report of the Town Clerk detailing a resolution of the Social Investment Board. The Committee was referred to the resolution containing revised terms for the Social Investment Board at Appendix 1, as agreed by Members of the Board.

A Member suggested that it made clearer that Members taken from the wider Court would be elected, as this was only implied in the resolution. A Member added that the proposed changes may require approval from the Policy & Resources Committee when it considered proposed changes to the terms of reference of all Committees before the next municipal year.

In response to a query from a Member, the CGO confirmed that the Board historically had only approved or rejected investment proposals, but had more recently began to consider originating schemes, such as an accommodation for key workers scheme. Any schemes would continue to be subject to the constituted investment principles of the Board.

On the potential accommodation for key workers scheme, the Social Investment Board would need to consider that the properties may be subject to local authority rules which would give residents the right to buy, and therefore capital could be put at risk by right to buy legislation. The Chairman advised that the Member contact the Chairman of the Social Investment Board. A Member advised the Committee that the project was currently on hold due to the wider governance review of Bridge House Estates.

RESOLVED – That, subject to amendment to clarify that Members from the wider Court are elected, and subsequent approval by the Policy & Resources Committee if required, the resolution be approved.

9. **BREXIT UPDATE**

The Chairman introduced the update, noting that the impact of the Brexit process on property and financial investments was distinct. With regards to property, international demand may be stimulated by the fluctuating value of the pound, but this may only offset reduced short-term demand for property. With regards to financial investment, the global economy was a more significant factor due to the international nature of the Corporation's portfolio.

The Chamberlain advised the Committee that any threat to the Corporation's income streams were monitored. The Town Clerk had been hosting a fortnightly Brexit Planning Group, which involved Chief Officers, and had been tracking the situation carefully as it developed.

A Member stated that the ongoing legal case between the European Medical Agency and the Canary Wharf Group may have implications for the City of London Corporation, particularly if the European Medical Agency's case was successful, and expressed their hope that officers were tracking the case as it developed. The City Surveyor confirmed that no properties in the Corporation's portfolio were currently let to EU agencies or related bodies.

10. **REPORT OF ACTION TAKEN**

The Committee received a report of the Town Clerk advising Members of actions taken by the Town Clerk under delegated authority or urgency procedures since the last meeting of the Committee.

RESOLVED – That the report be noted.

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

There were no questions.

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

There was no other business.

13. **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
14 - 24	3
25 - 26	-

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

RESOLVED: That the non-public minutes of the meeting held on 9 May 2018 be approved as an accurate record.

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

RESOLVED - That the non-public minutes of the Financial Investment Board meetings held on 24 May 2018, 12 July 2018, 20 September 2018 and 22 November 2018 be noted.

16. **NON-PUBLIC MINUTES OF THE PROPERTY INVESTMENT BOARD**
RESOLVED - That the non-public minutes of the Property Investment Board meetings held on 16 May 2018, 13 June 2018, 18 July 2018, 12 September 2018, 10 October 2018 and 7 November 2018 be noted.
17. **NON-PUBLIC MINUTES OF THE SOCIAL INVESTMENT BOARD**
RESOLVED - That the non-public minutes of the Social Investment Board meetings held on 20 June 2018 and 17 October 2018 be noted.
18. **STRATEGIC PROPERTY ESTATE - ANNUAL UPDATE**
The Committee received a report of the City Surveyor.
19. **CITY'S ESTATE STRATEGY REPORT**
The Committee received a report of the City Surveyor.
20. **CITY FUND STRATEGY REPORT**
The Committee received a report of the City Surveyor.
21. **BRIDGE HOUSE ESTATES - ANNUAL STRATEGY UPDATE**
The Committee received a report of the City Surveyor.
22. **INVESTMENTS PERFORMANCE MONITORING TO 30 SEPTEMBER 2018**
The Committee received a report of the Chamberlain.
23. **UPDATE OF THE SOCIAL INVESTMENT BOARD**
The Committee received a report of the Chief Grants Officer and Director of City Bridge Trust.
24. **REPORT OF NON-PUBLIC ACTION TAKEN**
The Committee received a report of the Town Clerk.
25. **NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**
There were no non-public questions.
26. **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 2.24 pm

Chairman

Contact Officer: Joseph Anstee
tel. no.: 020 7332 1480
joseph.anstee@cityoflondon.gov.uk