

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