

## FINANCIAL INVESTMENT BOARD

Thursday, 26 October 2017

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

### **Present**

#### **Members:**

Andrew McMurtrie (Chairman)	Tim Levene
Nicholas Bensted-Smith (Deputy Chairman)	Andrien Meyers
Alexander Barr	Deputy Henry Pollard
Henry Colthurst	Ian Seaton
Deputy Jamie Ingham Clark	Deputy Philip Woodhouse

#### **Officers:**

Joseph Anstee	-	Town Clerk's Department
Sacha Than	-	Town Clerk's Department
Peter Kane	-	Chamberlain
Tom Broughton	-	Chamberlain's Department
Kate Limna	-	Chamberlain's Department
Catrina Arbuckle	-	Mercer

### **1. APOLOGIES**

Apologies were received from Alderman Robert Howard, Deputy Clare James and James de Sausmarez.

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

Deputy Philip Woodhouse declared that he had been invited to Lindsell Train's Annual Presentation.

Henry Colthurst declared an interest due to being a member of Hackney Pension Board.

Alexander Barr declared a standing interest due to working for Standard Life Aberdeen PLC which was branded as Aberdeen Standard Investments, and would withdraw from the meeting during any discussion of Aberdeen Standard Investments.

### **3. MINUTES OF THE PREVIOUS MEETING**

**RESOLVED** - That the public minutes and non-public summary of the meeting held on Tuesday 5 September 2017 be agreed as a correct record.

## **Matters Arising**

### London CIV

The Chairman reiterated that the Board would be obliged to invest the Pension Fund into the London CIV over the long-term, and executive leaders from the CIV would be invited to speak with Board Members in early 2018.

### MIFID II

The Chamberlain confirmed that opt-up applications had been sent to the relevant fund managers and a number of responses had been received, with further responses expected shortly.

### ESG Survey

The Chamberlain explained that an encouraging level of feedback had been received from Members from the ESG survey. Further responses were required by 3 November, and a reminder would be circulated to Members.

#### **4. OUTSTANDING ACTIONS**

The Board received a list of outstanding actions. On applications for elected professional client status, the Committee noted that MIFID II would come into effect as of 2nd January 2018.

**RESOLVED** – That the report be noted.

#### **5. MONTHLY INVESTMENT ANALYSIS REVIEW**

The Board received a report of the Chamberlain concerning the monthly investment analysis review for August 2017. The report detailed the list of current investments and their performance and provided an update on the general economic outlook.

Members noted that the Corporation's current treasury investments amounted to £850m with an average interest rate of 0.57%. The Chairman explained that any rise in interest rates in the near future might be helpful, although a potential rise may have already been priced into some of the rates the Corporation was receiving.

A Member asked whether the reporting dates could be more closely aligned with FIB meeting dates. The Chamberlain stated that this was in part due to the fact that reports were required to be finalised some time before the meeting, and the Corporation does not always receive the previous month end data from Capita in time to be included in the report. The Chamberlain added that the previous month end information was included wherever possible.

**RESOLVED** - That the analysis review be noted.

#### **6. TREASURY MANAGEMENT REVIEW 2016/17**

The Board received a report of the Chamberlain concerning the end of year treasury management review for the 2016-17 financial year.

The Board noted that in comparison to most local authorities, treasury management was more straightforward as the Corporation did not require any capital borrowing. Treasury Indicators were set out in the appendix to the report.

The Chamberlain confirmed that the City's contribution to Crossrail had been paid before the 31st March 2017 and so was accounted for in the figures.

**RESOLVED** - That the report be noted.

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
10-15	3
16-17	-

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

**RESOLVED** - That the non-public minutes of the meeting held on 5 September 2017 be agreed as a correct record.

11. **NON PUBLIC OUTSTANDING ACTIONS**

The Board received a list of non-public outstanding actions.

**RESOLVED** - That the report be noted.

12. **MERCER'S PRESENTATION ON MULTI ASSET CREDIT**

The Board noted a report of Mercer.

13. **PENSION FUND - FINAL INVESTMENT STRATEGY REVIEW**

The Board considered a report of the Chamberlain and Mercer.

14. **PENSION FUND - LONDON CIV AVAILABLE INVESTMENT FUNDS**

The Board noted a report of the Chamberlain.

15. **INVESTMENTS PERFORMANCE MONITORING TO 31 AUGUST 2017**

The Board noted a report of the Chamberlain.

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

There were no non-public questions.

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

The Board discussed urgent business.

**The meeting closed at 3.00 pm**

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Chairman

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