

FINANCIAL INVESTMENT BOARD

Thursday, 22 March 2018

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

Present

Members:

Andrew McMurtrie (Chairman)	Deputy Clare James
Nicholas Bensted-Smith (Deputy Chairman)	Deputy Henry Pollard
Alexander Barr	James de Sausmarez
Henry Colthurst	Ian Seaton
Deputy Jamie Ingham Clark	Deputy Philip Woodhouse

Officers:

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

1. APOLOGIES

Apologies for absence were received from Alderman Robert Howard, Alderman Peter Hewitt, Andrien Meyers and Tim Levene.

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 1 February 2018 be agreed as a correct record.

4. OUTSTANDING ACTIONS

The Board received a list of outstanding actions. The Board noted that the Treasury Management Strategy had been approved by the Court of Common Council since the last meeting, and had been adopted from 8 March 2018. This had enabled the short-dated bond fund investments which were now in progress.

The Board noted that Member Training would be delivered through the Member Development Group if possible. The training would be scheduled in the new municipal year.

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 February 2018. The Board noted that cash balances had gone down due to an expected curtailment in the collection of business rates at the end of the financial year, and that the short-dated bond fund investments had now been made and would appear in the next analysis presented to the Board.

The Chairman advised the Board that the outstanding £20 million loan to Northamptonshire County Council was underwritten by central government. A Member raised a query about loans to local authorities that the Board agreed to discuss as a non-public question relating to the work of the Board.

RESOLVED – That the report be noted.

6. **FINANCIAL INVESTMENT BOARD - RISK REGISTER**

The Board considered a report of the Chamberlain proposing a Risk Register for the Financial Investment Board, highlighting key risks for review. The Board noted that this was the first time the Financial Investment Board had considered a risk register. Board Members suggested that 'heat maps' could be included with the risk register in future to illustrate any changes, and that the risk register should be reported to the Board every six months for review.

The Board agreed to exclude the public from the meeting and discuss a point raised by a Board Member on the grounds that the discussion would involve the likely disclosure of exempt information as defined in paragraph 3 of Schedule 12A of the Local Government Act.

The Board noted the recommendations to the report, and that the risk register would be brought back to the next meeting for confirmation following feedback from Members.

A Member suggested that there was a risk of action being taken with investments without the authority of the Board, and that with regards to external risks, the Board consider its mechanisms for acting quickly in response to changing circumstances, as fund managers were able to do. The Chamberlain advised that for any changes to fund managers the Comptroller & City Solicitor and any incoming fund manager will require signed authority such as minutes of the Board meeting confirming this. There are also the City's urgency procedures but as the Board met regularly throughout the year, it was hoped that this would not be required unless in exceptional circumstances.

A Member suggested that the risk register be kept high-level, and the Board needed to be careful not to confuse risks with controls. The Chamberlain confirmed that the scale of each risk was between 1 and 16 and the register used was the corporate template. The Board needed to focus on what was important at a strategic level to reach its target risks.

RESOLVED – That the Financial Investment Board:

- a) Review the risks and actions proposed for the Financial Investment Board’s Risk Register, and ask officers to amend the risk register based on the feedback provided by Members, before bringing it back to the next meeting for approval.

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 1 February 2018 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. LONDON CIV - VERBAL UPDATE

The Board received a verbal update on the London CIV.

13. CITY’S CASH AND BRIDGE HOUSE ESTATES - INVESTMENT STRATEGY REVIEW

The Board considered a report of the Chamberlain.

14. ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) UPDATE

The Board considered a report of the Chamberlain.

15. INVESTMENT MONITORING REPORTS

a) **Investment Monitoring to 31 December 2017**

The Board received a report of the Chamberlain.

b) **Quarterly Monitoring Report**

The Board received a report of Mercer.

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

The Board discussed a non-public question from a Member.

17. 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 3.20 pm

Chairman

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