

FINANCIAL INVESTMENT BOARD

Thursday, 20 May 2021

Minutes of the meeting of the Financial Investment Board held on Thursday, 20 May 2021 at 1.45 pm

Present

Members:

Nicholas Bensted-Smith (Chairman)
Henry Colthurst (Deputy Chairman)
Anne Fairweather
Alderman Prem Goyal
Alderman Robert Hughes-Penney
Deputy Jamie Ingham Clark
Deputy Clare James
Deputy Robert Merrett
John Petrie
James de Sausmarez
Ian Seaton
Deputy Philip Woodhouse

Officers:

Joseph Anstee	- Town Clerk's Department
Caroline Al-Beyerty	- Chamberlain
Kate Limna	- Chamberlain's Department
James Graham	- Chamberlain's Department
Simi Shah	- Town Clerk's Department

Also in attendance:

Lucy Tusa - Mercer

1. APOLOGIES

Apologies for absence were received from Alderman Robert Howard, Tim Levene, Deputy Andrien Meyers and Deputy Henry Pollard.

The Chairman then welcomed new Members of the Board, Deputy Robert Merrett and John Petrie. The Board then gave thanks to outgoing Member Deputy Tom Hoffman for his many years of valuable service to the work of the Board.

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

There were no declarations.

3. RESOLUTION OF THE INVESTMENT COMMITTEE

The Board noted a resolution of the Investment Committee meeting on 6 May 2021 appointing the Board and approving its terms of reference. The Town

Clerk advised that at its meeting on 19 May 2021, the Investment Committee had agreed to expand the constitution of the Board by two places, and subsequently to appoint Deputy Clare James and Tim Levene to the Board.

4. **MINUTES OF THE PREVIOUS MEETING**

RESOLVED - That the public minutes and non-public summary of the meeting held on 9 February 2021 be agreed as a correct record.

5. **OUTSTANDING ACTIONS**

There were no public outstanding actions.

6. **TREASURY MANAGEMENT UPDATE AS AT 31 MARCH 2021**

The Board received a report of the Chamberlain providing a summary of the City of London Corporation's treasury management portfolio (investments) as at 31 March 2021. The report included an update on the current asset allocation of the short-term investment portfolio and its performance, the latest cash flow forecast, and a monthly investment review report produced by the Corporation's treasury management consultants. The Chamberlain introduced the report and gave the Board further detail on the key features of the report, including the medium-term cash flow forecast which had been added following a request from Members.

In response to a question from a Member, the Chamberlain advised that the cash flow forecast showed expected cash balances at the end of each year, when cash balances were usually at their lowest, for a six-year period. In addition to this, a more detailed, operational cash flow was maintained and updated daily by officers as part of the treasury management function. A Member suggested that the key assumptions on which the forecast was based be summarised into bullet points for inclusion alongside the table.

The Chamberlain advised that any suggestions regarding the data format were welcome and would be explored with the aim of building towards a useful dashboard on cash flow.

RESOLVED – That the report be noted.

7. **RISK REGISTER FOR THE FINANCIAL INVESTMENT BOARD**

The Board considered a report of the Chamberlain reviewing the Financial Investment Board's risk register. The Board noted that there had been no substantive changes to the risks. The Chamberlain then outlined updates to the narrative risk update on associated actions where necessary, and advised that the inclusion of risks related to Bridge House Estates would need to be reconsidered once the Bridge House Estates Board had finalised the governance arrangements in respect of the Charity's financial investments.

A Member suggested that long-term risks could feature the next key date relevant to them rather than a due date, allowing a longer-term view which accepted rather than managed the risk. The Chamberlain advised that ever-present risks were kept on the register to ensure continuing mindful of the need

to manage and mitigate against them, adding that the format could be reviewed and amended as necessary.

RESOLVED – That the Financial Investment Board:

- a) Review the existing risks and actions present on the Financial Investment Board's Risk Register, and confirm that appropriate control measures are in place; and
- b) Confirm that there are no further risks relating to the services overseen by the Financial Investment Board.

8. REPORT OF ACTION TAKEN

The Board received a report of the Town Clerk advising Members of an action taken by the Town Clerk since the last meeting of the Committee, in consultation with the Chairman and Deputy Chair, in accordance with Standing Order No. 41(b). The Chamberlain advised that the PRI submission had been made as planned, and officers were awaiting a response ahead of the September meeting of the Board. The submission was made under the new PRI framework and this would be the first year in which the City of London Corporation's results were public.

RESOLVED – That the report be noted.

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

There were no questions.

10. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT

There was no other business.

The Chairman then thanked members of the public watching via YouTube for their attendance.

11. 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
12-17	3
18-19	-

12. NON-PUBLIC MINUTES OF THE PREVIOUS MEETING

RESOLVED - That the non-public minutes of the meeting held on 9 February 2021 be agreed as a correct record.

13. NON-PUBLIC OUTSTANDING ACTIONS

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

14. INVESTMENT PERFORMANCE MONITORING REPORTS

a) Quarterly Monitoring Report to 31 March 2021

The Board received a report of Mercer.

b) Performance Monitoring to 31 March 2021: Pension Fund

The Board received a report of the Chamberlain.

c) Performance Monitoring to 31 March 2021: City's Cash and Bridge House Estates

The Board received a report of the Chamberlain.

15. YEAR 1 PLAN FOR CLIMATE ACTION

The Board considered a report of the Chamberlain.

16. EQUITIES ALLOCATION DISCUSSION PAPER: ROLE OF UK EQUITIES AND VALUE MANAGERS

The Board received a report of the Chamberlain.

17. BAILLIE GIFFORD GLOBAL ALPHA PARIS-ALIGNED FUND

The Board received a report of the Chamberlain.

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

There were no non-public questions.

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

There was other business.

The meeting ended at 3.06 pm

Chairman

Contact Officer: Joseph Anstee
joseph.anstee@cityoflondon.gov.uk