

FINANCIAL INVESTMENT BOARD

Friday, 21 October 2022

Minutes of the meeting of the Financial Investment Board held at Guildhall, EC2 on Friday, 21 October 2022 at 10.00 am

Present

Members:

Deputy Andrien Meyers (Chairman)
Shahnan Bakth (Deputy Chairman)
Deputy Henry Colthurst
Deputy Simon Duckworth (Chief Commoner)
Deputy Philip Woodhouse

Officers:

Jayne Moore	- Town Clerk's Department
Kate Limna	- Chamberlain's Department
Sarah Port	- Chamberlain's Department
Caroline Al-Beyerty	- Chamberlain

Also in attendance:

Randall Anderson
Lucy Tusa (Mercer)

1. APOLOGIES

Apologies were received from Christopher Hayward and from Nick Bensted-Smith.

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 31 May 2022 be agreed as a correct record.

4. TREASURY MANAGEMENT UPDATE AS AT 31 JULY 2022

The Committee noted the report of The Chamberlain.

A Member asked what rates were being achieved, and the Chamberlain advised that recent fixed term deposit rates ranged from 3% to 5.1% depending on tenure.

A Member asked what costs were involved if more transactions were being made, and the Chamberlain advised that no cost was incurred to the City as were being invested with counterparties in line with the Treasury Management Strategy.

A Member asked for updated information on size and maturity, and the Chamberlain advised that this would be circulated to Members after the meeting.

A Member sought clarification that opportunities were being explored, and was advised that the Treasury Management Strategy set out the relevant criteria and strategy.

A Member asked whether the appropriate Delegations were in place, and the Chamberlain confirmed that these were in place.

A Member asked about the medium term financial forecast. The Chamberlain advised that this was being prepared taking into account factors such as higher inflation, salary increase, and the capital programme.

A Member commented that there appeared to be a loss of around 5% on short-dated bonds and sought clarification on the strategy around that and whether the intention was to continue holding them. The Chamberlain advised that the bonds were taken out to diversify funds, and that the strategy was to hold them for the long term notwithstanding current volatility.

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5. TREASURY MANAGEMENT OUTTURN 2021/22

The Committee noted the report of The Chamberlain.

6. TREASURY MANAGEMENT STRATEGY 2022/23 - PROPOSED AMENDMENT

The Committee noted the report of The Chamberlain.

The Committee noted that the backdating element was a pragmatic solution, though was not ideal.

One Member expressed significant reservations around the process in view of the Finance Committee having sight of the proposal first, noting also that the sequencing of the meetings had not been favourable due to the mourning period following the passing of the sovereign.

A Member commented that information was expected to be shared across the Boards and Committees rather than one Board reporting to another Board or Committee.

The Committee noted that the decision was being made on its merits, and that the same decision would have been made had the FIB met before the Finance Committee.

A Member asked what would have been the outcome had the amendment not been agreed, and the meeting heard that the advice would have been heard

and carefully considered though the decision was ultimately in the gift of the Finance Committee and then the Court of Common Council where appropriate.

RESOLVED, That the Financial Investment Board agree the amendment to the Treasury Management Strategy Statement and Annual Investment Strategy 2022/23 set out at paragraphs 11-15 and Appendix 1.

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.

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

The meeting considered the non-public minutes of the meeting of 31 May 2022.

11. **PERFORMANCE MONITORING CITY'S CASH**

The Committee received the report of The Chamberlain.

12. **QUARTERLY MONITORING REPORT TO 30 JUNE 2021**

The Committee received the report of The Chamberlain.

13. **PERFORMANCE MONITORING TO 31 JUNE 2021: CITY'S CASH**

The Committee received the report of The Chamberlain.

14. **WILLIAM COXEN TRUST FUND PERFORMANCE MONITORING TO 31 MARCH 2022**

The Committee received the report of The Chamberlain.

15. **HAMPSTEAD HEATH TRUST & CHARITIES POOL INVESTMENT PERFORMANCE MONITORING REPORT TO 31 MARCH 2022**

The Committee received the report of The Chamberlain.

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

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

The meeting ended at 11.00 am

Chairman

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