

INVESTMENT COMMITTEE
Tuesday, 21 May 2024

Minutes of the meeting of the Investment Committee held at Committee Rooms, 2nd Floor, West Wing, Guildhall on Tuesday, 21 May 2024 at 2.00 pm

Present

Members:

Deputy Andrien Meyers (Chair)
Shahnan Bakth (Deputy Chairman)
David Brooks Wilson (External Member)
Deputy Henry Colthurst (Ex-Officio Member)
Steve Goodman OBE
Deputy Christopher Hayward (Ex-Officio Member)
Philip Woodhouse

Officers:

Caroline Al-Beyerty	- Chamberlain
John James	- Chamberlain's Department
Kate Limna	- Chamberlain's Department
Sarah Port	- Chamberlain's Department
Kirpual Kaur	- Comptroller and City Solicitor's Department
Andrew Cross	- City Surveyor's Department
John Galvin	- City Surveyor's Department
Robert Murphy	- City Surveyor's Department
Neil Robbie	- City Surveyor's Department
Ben Dunleavy	- Town Clerk's Department

Also in attendance

Steve Turner	- Mercer
Charles Franklin	- Stanhope
James Horden	- Stanhope

1. APOLOGIES

Deputy Christopher Hayward, as the second most senior Common Councillor, moved that Deputy Randall Anderson, as the most senior Common Councillor, should take the Chair until the election of the Chair at item 4. The motion was seconded and approved by the Committee and Deputy Anderson accordingly took the Chair.

Apologies for absence were received from Claudine Blamey and Deputy James Thomson.

Deputy Simon Duckworth observed the meeting virtually.

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

Deputy Randall Anderson declared, in respect of item 17 on the agenda, that he was a Freeman of the Worshipful Company of Ironmongers.

The standing declarations of David Brooks Wilson were noted.

3. **ORDER OF THE COURT**

Members received the Order of the Court of Common Council dated 25 April 2024 appointing the Committee and setting its Terms of Reference.

4. **ELECTION OF CHAIR**

The Committee proceeded to elect a Chair in accordance with Standing Order No. 29. Deputy Andrien Meyers, as the only Member expressing their willingness to serve, was duly elected as Chair for the ensuing year and took the Chair.

RESOLVED, that – Deputy Andrien Meyers be elected Chair of the Investment Committee for the ensuing year.

5. **ELECTION OF DEPUTY CHAIR**

The Committee proceeded to elect a Deputy Chairman in accordance with Standing Order No. 30. Shahnan Bakth, as the only Member expressing their willingness to serve, was duly elected as Deputy Chair for the ensuing year.

RESOLVED, that – Shahnan Bakth be elected as the Deputy Chair for the ensuing year.

6. **CO-OPTION OF MEMBERS**

Members proceeded to co-opt two Members to serve on the Committee.

Following a ballot, Alderman Alison Gowman and Deputy Henry Pollard were co-opted on to the Committee.

The Chairman proposed that the governance arrangements for the co-option of Members from the Court should be included as part of the Committee's annual terms of reference review. He felt that the two co-opted positions should become positions on which the entire Court could vote, rather than co-opted by the Committee.

Members were supportive of the proposal to re-examine this element of the Committee's composition, and raised the importance of how different things were represented on the committee, including skill skills and diversity.

7. **MINUTES**

7.1 **Minutes of the meeting of 12 February 2024**

The Town Clerk informed Members of a minor correction to item 5 so that the title read 'Draft High-Level Business Plan 2024/25 – City Surveyor's Department'.

The public minutes and non-public summary of the meeting held on 12 February were agreed as a correct record, as amended.

7.2 Minutes of the meeting of 22 March 2024

The public minutes and non-public summary of the special meeting held on 22 March were approved as a correct record.

8. FORWARD PLAN

Members received the Committee's forward plan.

9. RISK REGISTER UPDATE FOR INVESTMENT COMMITTEE

Members received a joint report of the Chamberlain and City Surveyor concerning the overarching risk register for the Investment Committee.

The Chair requested that Members provide any feedback on the overarching risk register's format outside of the meeting.

A Member asked officers if they felt the rating for IC 04 Cashflow Management should be higher, given the City Corporation's capital requirements. In reply, the Chamberlain noted that the rating for this risk had already been increased following feedback from Members, and it would be kept under close review.

RESOLVED, that – Members:

- Note this report, and the actions taken across the organisation to effectively monitor and manage risks in the City Surveyor's operations (Appendix C) and review the existing risks and actions on the IC Financial Investments risk register (Appendix D) and confirm that appropriate control measures are in place.
- Consider the overarching risks and mitigations relating to the overall investment portfolio overseen by the Investment Committee (Appendix B).

10. TREASURY MANAGEMENT UPDATE AS AT 31 MARCH 2024

Members received a report of the Chamberlain providing a treasury management update.

A Member requested that officers explore alternative ways of presenting the information in the report.

A Member asked if the consequences of a potential change in government and related economic pressures, including property failure, had been considered when drafting the report. In reply, officers said that the report focused solely on cash management, and did not account for property markets. The Chamberlain drew Members' attention to paragraph 14 which set out officers' thoughts on direction of the market and noted that inflationary pressures seemed to be subsiding.

The Chair asked if property inflation was being considered more generally. A Member said that they felt the real issue whether counter-party risks had an exposure to property. Officers said City Corporation's approach to counter-parties was prudent, as laid out in the report.

RESOLVED, that – the report be received and its contents noted.

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

There were no questions.

12. ANY OTHER BUSINESS THAT THE CHAIR CONSIDERS URGENT

There was no other business.

13. 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 or relate to functions of the Court of Common Council which are not subject to the provisions of Part VA and Schedule 12A of the Local Government Act 1972.

14. NON-PUBLIC MINUTES

14.1 Non-public minutes of the meeting of 12 February 2024

The non-public minutes of the meeting held on 12 February 2024 were approved as a correct record.

14.2 Non-public minutes of the meeting of 22 March 2024

The non-public minutes of the meeting held on 22 March 2024 were approved as a correct record.

15. OCIO UPDATE ON STRATEGIC AND TACTICAL POSITIONING

Members received a report of the Chamberlain concerning the Investment Strategy.

16. DRAWDOWN PROCESS

Members received a report of the Chamberlain concerning the drawdown process.

17. ACQUISITION OF FERRONERS HOUSE

Members received a report of the City Surveyor relating to a property acquisition.

18. DELEGATIONS REQUEST

Members received a report of the City Surveyor providing information on delegations sought in June and July.

19. PERFORMANCE MONITORING

19.1 City's Estate Quarterly Monitoring Report

Members received the Quarterly Monitoring report for Q1 2024; this report was produced by Mercer.

19.2 Performance Monitoring to 31 March 2024: City's Estate

Members received a report of the Chamberlain concerning performance monitoring to 31 March 2024.

20. PRI 2023 ASSESSMENT UPDATE

Members received a report of the Chamberlain concerning the Principles for Responsible Investment (PRI) Assessment.

21. CITY FUND, CITY'S ESTATE AND STRATEGIC PROPERTY ESTATE - ANNUAL VALUATION

Members received a report of the City Surveyor concerning City Fund, City's Estate and the Strategic Property Estate.

22. ORACLE PROPERTY MANAGER (OPN) REPLACEMENT PROGRAMME (MRI HORIZON)

Members received a report of the City Surveyor concerning MRI Horizon.

23. REPORT OF ACTION TAKEN

Members received a report of the Town Clerk concerning action taken between meetings.

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

There were two non-public questions.

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

There was no other business.

The meeting ended at 3.42 pm

Chairman

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