

INVESTMENT COMMITTEE
Monday, 6 October 2025

Minutes of the meeting of the Investment Committee held at Committee Rooms, 2nd Floor, West Wing, Guildhall on Monday, 6 October 2025 at 11.00 am

Present

Members:

Shahnan Bakth (Chair)
Deputy Madush Gupta (Deputy Chair)
Claudine Blamey (External Member)
David Brooks Wilson (External Member)
Alderman Alison Gowman CBE
Alderman Prem Goyal CBE
Gerald Kaye (External Member)
Rebecca MacDonald (External Member)
Andrew McCaffery (External Member)
Deputy Andrien Meyers
Deputy Henry Pollard

Observer

Simon Duckworth OBE DL

Steve Turner
Charles Franklin
Maria Zahn

Mercer
Stanhope
Stanhope

Officers:

Caroline Al-Beyerty
Paul Wilkinson
Robert Murphy
David Abbott
Adam Buckley
John James
Sarah Port
Jenny Wong
Stephen Clayton
Andrew Cross
John Galvin
Sam Gibson
James Murray
Neil Robbie
Kirpal Kaur

- Chamberlain
- City Surveyor
- Investment Property Director
- Chamberlain's Department
- Chamberlain's Department
- Chamberlain's Department
- Chamberlain's Department
- Chamberlain's Department
- City Surveyor's Department
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- Comptroller & City Solicitor's Department
- Committee Clerk

John Cater

1. **APOLOGIES**

Apologies for absence were received from Deputy Henry Colthurst, Deputy Peter Dunphy, Deputy Christopher Hayward, Shravan Joshi, Deputy James Thomson, and Philip Woodhouse.

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

There was one Declaration under the Code of Conduct.

Alderman Gowman declared an interest under Item 21, namely, the Delegations Requests Report. Alderman Gowman is a tenant at 160 Aldersgate Street.

3. **MINUTES**

RESOLVED: - that the public minutes and non-public summary of the Investment Committee meeting held on 21 July 2025 were approved as an accurate record, subject to one amendment, namely, the inclusion of the Chief Commoner, Deputy Henry Colthurst as an attendee at the meeting.

4. **FORWARD PLAN**

The Committee received a joint Report of the Chamberlain and the City Surveyor concerning the Committee's Forward Work Plan.

RESOLVED: - that the Committee noted the Report.

5. **TREASURY MANAGEMENT OUTTURN 2024-25**

The Committee received a Report of the Chamberlain concerning the end of year report for the Treasury Management Strategy Statement and Annual Investment Strategy (relating to Treasury Management) for 2024/25.

RESOLVED: - that the Committee noted the Report.

6. **TREASURY MANAGEMENT UPDATE AS AT 31 AUGUST 2025**

The Committee received a Report of the Chamberlain concerning the City of London Corporation's Treasury Management Portfolio (investments) as at 31 August 2025.

A Member asked that a section of paragraph 15 be amended by correcting the sentence; "when interest rates increase, bond prices increase" to "when interest rates decrease, bond prices increase".

RESOLVED: - that the Committee noted the Report.

7. **RISK REGISTER UPDATE FOR INVESTMENT COMMITTEE**

The Committee considered a joint Report of the Chamberlain and the City Surveyor concerning the management of risks relevant to the Investment Committee.

The City Surveyor emphasised that officers were working hard to drive improvements in the performance of the Corporation's external construction consultants, including, on occasion, terminating contracts early. It had been clear

that in some cases, the lack of capability and/or capacity had had a detrimental impact on the City's Major Projects, in particular, but it was also a trend across the wider construction project portfolio.

A Member expressed his anxiety about the likelihood of a looming financial crisis and the City's consequent vulnerabilities and mitigation strategy. Noting the recent commentary, the Chamberlain emphasised that the content of the Chancellor's November Budget was still to be determined, with several ideas being floated, either the absence or presence of which, may end up settling the markets. It was also apparent that the indicators in the construction sector had been showing recent signs of positivity, including costs coming down, less insolvencies, and the rate-of-return for developers tacking upwards.

RESOLVED: - that the Committee:

- Considered the overarching risks and mitigations relating to the overall investment portfolio overseen by the Investment Committee (Appendix A).
- Noted the actions taken across the organisation to effectively monitor and manage risks in the City Surveyor's operations (Appendix B) and reviewed the existing risks and actions on the IC Financial Investments risk register (Appendix C) and confirmed that appropriate control measures are in place.

8. **CLIMATE ACTION STRATEGY VERBAL UPDATE**

The Committee received a verbal update of the City Surveyor concerning the City Corporation's Climate Action Strategy.

Whilst speaking to a set of slides, the City Surveyor responded to several queries, as follows:

The Surveyor confirmed that the 2.3% floor area being rated EPC 'B' or above is the Corporation's directly managed portfolio, i.e., not the City's properties which are held by others under long-leaseholds), with regards the latter, the City had a retrofit programme that contains metrics to a) reduce carbon emissions, through Carbon Risk Real Estate Monitor (CRREM) pathways for each site and b) ensure sites were Minimum Energy Efficiency Standards (MEES) compliant, which meant they had to have an EPC rating of 'B' or above by 2030. The City Surveyor added that by the time the City had concluded this year's Capital Realisation Programme, 95% of City Fund's properties will be held under long leaseholds, consequently, there will be a very small floor area across the portfolio left for directly managed property, and by far the greatest element of that will comprise Leadenhall Market.

In terms of the profile of works being undertaken under the Retrofit Programme, this included the removal of gas heating systems for electric, e.g. air sourced heat pumps or electric powered boilers.

It was noted that the City Corporation's Annual Climate Action Strategy Progress Report would be published on 20th October and Members would have an early sight at the Policy & Resources Committee meeting on 16th October; one of the key highlights was that emissions across City Fund and City Estate had reduced drastically by 62%; this was in no small part due to significantly improve data capture and analysis which has, in turn, provided the organisation with a set of fundamental insights to drive its net zero ambitions to 2040. Members were keen to ensure that with this new data now in place, the question of whether and when a re-baselining exercise takes place is considered. The Chamberlain noted that specific discussion would need to be led in the first instance by the Policy & Resources Committee, but input would be sought from other key Committees and Departments in due course.

Noting the Corporation's continued efforts to embed Green Clauses in its Ground Leases (with 11 live restructures and an additional 34 in the pipeline) the Surveyor informed the Committee that the typical timeframe to get through the pipeline was around 6 to 12 months.

Noting the quarterly frequency for these updates, a Member asked that consideration be given for officers to include a short covering narrative Report with dashboards that could frame these presentations. The City Surveyor highlighted that the Reporting schedule for the Climate Action Strategy Investment Programme Board was being finalised, and he wanted to ensure that, in the interests of efficiency, any Report for Investment Committee should be aligned with that schedule, in order to avoid duplication and retain consistency.

RESOLVED: - that the Committee noted the Report.

9. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**
There were no public questions.

10. **ANY OTHER BUSINESS THAT THE CHAIR CONSIDERS URGENT**
There was no other urgent public business.

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 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.

12. **NON-PUBLIC MINUTES**
RESOLVED: - that the non-public minutes of the Investment Committee meeting held on 21 July 2025 were approved as an accurate record.

One issue was raised under matters arising.

13. PERFORMANCE MONITORING

13.1 Performance Monitoring to 31 July 2025: City's Estate

The Committee received a Report of the Chamberlain concerning the investment performance of the City's Estate financial investment portfolio and of the various investment managers as of 31 July 2025.

13.2 Quarterly Monitoring Report Q2 2025

The Committee received Mercer's Quarterly Monitoring Report for Q2 2025.

14. CITY FUND & CITY'S ESTATE: PERFORMANCE MONITORING OF PROPERTY INVESTMENT PORTFOLIOS TO MARCH 2025

The Committee received a Report of the City Surveyor concerning results from MSCI of the performance of the City Fund Estate and City's Estate Property Investment Portfolios for the year ending 31 March 2025.

15. CITY FUND AND CITY'S ESTATE CASHFLOW AND CAPITAL REALISATION - QUARTERLY UPDATE

The Committee received a joint Report of the Chamberlain and the City Surveyor providing a quarterly update on the cashflow and capital realisation strategy within City's Estate and City Fund.

16. CITY'S ESTATE DASHBOARD AS AT 30 JUNE 2025

The Committee received a Report of the Chamberlain providing a quarterly summary dashboard for the City's Estate combined portfolio covering asset allocation, risk and performance prepared by the outsourced CIO team, Stanhope Capital as at 30 June 2025.

17. CITY'S ESTATE INVESTMENT BUSINESS PLAN

The Committee received a Report of the Chamberlain concerning the City's Estate Investment Business Plan.

18. CITY'S ESTATE - EXPLORING INVESTMENT OPPORTUNITIES

The Committee received a Report of the Chamberlain concerning the exploration of investment opportunities for City's Estate.

19. CITY ESTATE: 2-4 & 6-8 EASTCHEAP - LEASEHOLD SALE

The Committee considered a Report of the City Surveyor concerning 2-4 and 6-8 Eastcheap.

20. GW6: ORACLE PROPERTY MANAGER (OPN) REPLACEMENT (MRI HORIZON IMPLEMENTATION, PHASES 1 AND 2)

The Committee considered a Report of the City Surveyor concerning the replacement software (MRI Horizon) for the Oracle Property Management System.

21. DELEGATIONS REQUEST

The Committee considered a Report of the City Surveyor concerning a series of requests for the Committee to delegate authority to the Town Clerk, in consultation with the Chair and Deputy Chair as under Standing Order 41b, to approve investment property transactions over the coming period.

22. CITY FUND & CITY'S ESTATE: INVESTMENT PROPERTY MONITORING - CHIEF OFFICER DELEGATION

The Committee received a Report of the City Surveyor concerning Transactions approved under the City Surveyor's Delegated Authority between 1st November 2024 to 31st August 2025.

23. NON-PUBLIC APPENDIX TO ITEM 7 - (RISK REPORT)

This was considered in conjunction with Item 7 (Risk Report).

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

There were no non-public questions.

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

There was one item of urgent non-public business.

26. CITY SURVEYOR'S DEPARTMENT

The Committee considered a Report of the City Surveyor concerning staffing in the City Surveyor's Department.

The meeting ended at 1.00 pm

Chairman

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