

Item: 30

Investments Sub-committee: 24 September 2025.

1. Recommendations

It is recommended:

1.1.

That the Committee approves the attached minute as a true record.

2. Appendix

Draft Minute of the Meeting of the Investments Sub-committee held on 24 September 2025.

Minute

Investments Sub-committee

Wednesday, 24 September 2025, 09:15.

Council Chamber, Council Offices, School Place, Kirkwall.



Present

Councillors Alexander G Cowie, P Lindsay Hall, Steven B Heddle, Rachael A King, Kristopher D Leask and Mellissa-Louise Thomson.

Clerk

- Sandra Cragie, Committees Officer.

In Attendance

- Gareth Waterson, Director of Enterprise and Resources.
- Erik Knight, Head of Finance.
- Katie Gibson, Team Manager (Corporate Finance).
- Michael Scott, Solicitor.

Observing

- Susan Taylor, Committees Officer.

Apology

- Councillor Heather N Woodbridge.

Declarations of Interest

- No declarations of interest were intimated.

Chair

- Councillor Alexander G Cowie.

1. Revenue Expenditure Outturn

After consideration of a report by the Head of Finance, copies of which had been circulated, the Sub-committee:

Noted:

1.1. The revenue financial summary statement in respect of service areas for which the Investments Sub-committee was responsible, for financial year 2024/25, attached as Annex 1 to the report by the Head of Finance, indicating a budget surplus position of £2,662,400.

1.2. The revenue financial detail by service area statement in respect of service areas for which the Investments Sub-committee was responsible, for financial year 2024/25, attached as Annex 2 to the report by the Head of Finance.

1.3. The explanations given and actions proposed in respect of significant budget variances, as outlined in the Budget Action Plan, attached as Annex 3 to the report by the Head of Finance.

2. Revenue Expenditure Monitoring

After consideration of a report by the Head of Finance, copies of which had been circulated, the Sub-committee:

Noted:

2.1. The revenue financial summary statement in respect of service areas for which the Investments Sub-committee was responsible, for the period 1 April to 30 June 2025, attached as Annex 1 to the report by the Head of Finance, indicating a budget surplus position of £2,100,200.

2.2. The revenue financial detail by service area statement in respect of service areas for which the Investments Sub-committee was responsible, for the period 1 April to 30 June 2025, attached as Annex 2 to the report by the Head of Finance.

2.3. The explanations given and actions proposed in respect of significant budget variances, as outlined in the Budget Action Plan, attached as Annex 3 to the report by the Head of Finance.

3. Treasury Management – Annual Report

After consideration of a report by the Head of Finance, copies of which had been circulated, and after hearing a report from the Team Manager (Corporate Finance), the Sub-committee:

Noted the Treasury Management Review for financial year 2024/25, attached as Appendix 1 to the report by the Head of Finance.

4. Treasury Management – Monitoring

After consideration of a report by the Head of Finance, copies of which had been circulated, and after hearing a report from the Team Manager (Corporate Finance), the Sub-committee:

Noted:

4.1. The quarterly report, attached as Appendix 1 to the report by the Head of Finance, prepared by Link Treasury Services, the Council's Treasury Adviser, which covered the following elements of treasury management:

- An economic update for the quarter ended 30 June 2025.
- Interest rate forecasts.

- A review of the Treasury Management Strategy Statement and Annual Investment Strategy.
- A review of prudential and treasury indicators for 2025/26, as at 30 June 2025.

4.2. The status of the temporary loans portfolio as at 30 June 2025, as detailed in section 3 of the report by the Head of Finance.

5. Exclusion of Public

On the motion of Councillor Alexander G Cowie, seconded by Councillor Mellissa-Louise Thomson, the Sub-committee resolved that the public be excluded from the meeting for consideration of Items 6 and 7, as the business to be considered involved the disclosure of exempt information of the classes described in the relevant paragraphs of Part 1 of Schedule 7A of the Local Government (Scotland) Act 1973 as amended.

6. Strategic Reserve Fund – Multi-factor Equity Options

Under section 50A(4) of the Local Government (Scotland) Act 1973, the public had been excluded from the meeting for this item on the grounds that it involved the disclosure of exempt information as defined in paragraphs 6 and 9 of Part 1 of Schedule 7A of the Act.

After consideration of a report by the Head of Finance, copies of which had been circulated, the Sub-committee:

Noted what action would be taken with regard to potential investment in multi-factor equities.

The above constitutes the summary of the Minute in terms of the Local Government (Scotland) Act 1973 section 50C(2) as amended by the Local Government (Access to Information) Act 1985.

7. Statement of Managed Funds

Under section 50A(4) of the Local Government (Scotland) Act 1973, the public had been excluded from the meeting for this item on the grounds that it involved the disclosure of exempt information as defined in paragraph 6 of Part 1 of Schedule 7A of the Act.

After consideration of a report by the Head of Finance, copies of which had been circulated, and after hearing a report from the Team Manager (Corporate Finance), the Sub-committee:

Noted:

7.1. The investment monitoring report for the Strategic Reserve Fund produced by Hymans Robertson, the Council's appointed investment advisor, attached as Appendix 1 to the report by the Head of Finance, relating to the performance of managed funds for the quarter to 30 June 2025.

7.2. The Barings Global High Yield Credit Strategies Fund ESG report for the quarter ending 30 June 2025, attached as Appendix 2 to the report by the Head of Finance.

7.3. The Baillie Gifford report for the quarter ending 30 June 2025, attached as Appendix 3 to the report by the Head of Finance.

8. Conclusion of Meeting

At 09:50 the Chair declared the meeting concluded.

Signed: Alexander G Cowie.