

## **Minute**

### **Investments Sub-committee**

Thursday, 12 June 2019, 14:15.

Council Chamber, Council Offices, School Place, Kirkwall.



### **Present**

Councillors W Leslie Manson, Alexander G Cowie, Rachael A King, Stephen Sankey, Graham L Sinclair and James W Stockan.

### **Clerk**

Sandra Craigie, Committees Officer.

### **In Attendance**

- Gareth Waterson, Head of Finance.
- Colin Kemp, Corporate Finance Senior Manager.
- Shonagh Merriman, Accounting Manager (Corporate Finance) (for Items 1 to 3).
- Michael Scott, Solicitor.

### **Observing**

- David Hartley, Communications Team Leader.

### **Apology**

- Councillor Steven B Heddle.

### **Declarations of Interest**

- No declarations of interest were intimated.

### **Chair**

- Councillor W Leslie Manson.

## **1. Disclosure of Exempt Information**

The Sub-committee noted the proposal that the public be excluded from the meeting for consideration of Item 3 as the business to be discussed involved the potential disclosure of exempt information of the class described in the relevant paragraph of Part 1 of Schedule 7A of the Local Government (Scotland) Act 1973 as amended.

## **2. Temporary Loans**

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

Noted:

- 2.1.** The status of the temporary loan portfolio as at 31 March 2019, as detailed in section 3 of the report by the Head of Finance.
- 2.2.** That, for the period 1 April 2018 to 31 March 2019, the temporary loans portfolio made a return of £288,788.47 at an average interest rate of 0.85%.
- 2.3.** That the Treasury Policy Statement was being adhered to by the Finance Service and was producing an acceptable rate of return.

## **3. Statement of Managed Funds**

On the motion of Councillor W Leslie Manson, seconded by Councillor James W Stockan, the Sub-committee resolved that the public be 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 Local Government (Scotland) Act 1973 as amended.

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

Noted:

- 3.1.** The review of investment performance by Hymans Robertson, the Council's appointed investment advisors, for the quarter to 31 March 2019, attached as Appendix 1 to the report by the Head of Finance.
- 3.2.** That the performance of the Strategic Reserve Fund investments was considered good over the quarter to 31 March 2019, with the value of the Fund increasing by 5.9%, being 1.2% ahead of the benchmark.
- 3.3.** That the performance of the Strategic Reserve Fund had also been good over the 12 month period to 31 March 2019, with the value of the Fund increasing by 5.7%, being 0.4% ahead of the benchmark.
- 3.4.** The Sustainable Investment Report as at 31 March 2019, produced by the Equities and Bonds Portfolio Manager, attached as Appendix 2 to the report by the Head of Finance.
- 3.5.** The Global Corporate Guidelines and Engagement Principles report for 2019, produced by the UK Property and Diversified Growth Portfolio Manager, attached as Appendix 3 to the report by the Head of Finance.
- 3.6.** The Investment Stewardship Engagement Priorities report for 2019, produced by the UK Property and Diversified Growth Portfolio Manager, attached as Appendix 4 to the report by the Head of Finance.

#### **4. Conclusion of Meeting**

At 15:20 the Chair declared the meeting concluded.

Signed: L Manson.