

## Minute

### Investments Sub-committee

Thursday, 25 February 2021, 10:30.

Microsoft Teams.



### Present

Councillors W Leslie Manson, Alexander G Cowie, Barbara Foulkes, Steven B Heddle, Rachael A King and Stephen Sankey.

### Clerk

- Sandra Craigie, Committees Officer.

### In Attendance

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

### Observing

- Lorraine Stout, Press Officer.

### Apology

- Councillor James W Stockan.

### Declarations of Interest

- No declarations of interest were intimated.

### Chair

- Councillor W Leslie Manson.

## 1. Form of Voting

The Sub-committee resolved that, should a vote be required in respect of the matters to be considered at this meeting, notwithstanding Standing Order 21.4, the form of voting should be by calling the roll (recorded vote).

## 2. Disclosure of Exempt Information

The Sub-committee noted the proposal that the public be excluded from the meeting for consideration of Items 6 and 7, as the business to be discussed involved the potential 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.

### **3. Revenue Expenditure Monitoring**

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

Noted:

**3.1.** The revenue financial summary statement, in respect of service areas for which the Investments Sub-committee was responsible, for the period 1 April to 31 December 2020, attached as Annex 1 to the report by the Head of Finance, indicating a budget surplus position of £29,243,900.

**3.2.** 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 31 December 2020, attached as Annex 2 to the report by the Head of Finance.

The Sub-committee scrutinised:

**3.3.** 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, and obtained assurance that action was being taken with regard to significant budget variances.

### **4. 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 Corporate Finance Senior Manager, the Sub-committee:

Noted:

**4.1.** The status of the temporary loan portfolio as at 31 December 2020, as detailed in section 3 of the report by the Head of Finance.

**4.2.** That, for the period 1 April to 31 December 2020, the temporary loans portfolio made a return of £145,428.46 at an average interest rate of 0.58%.

The Sub-committee scrutinised:

**4.3.** The temporary loans portfolio, detailed in sections 3 and 4 of the report by the Head of Finance, and obtained assurance that the Treasury Management Strategy was being adhered to by the Finance Service and the temporary loans portfolio was producing an acceptable rate of return.

### **5. Exclusion of the Public**

On the motion of Councillor W Leslie Manson, seconded by Councillor Rachael A King, the Sub-committee resolved that the public be excluded for the remainder of the meeting, as the business to be considered involved the disclosure of exempt information of the classes described in Part 1 of Schedule 7A of the Local Government (Scotland) Act 1973 as amended.

## **6. Revised Investment Strategy – Progress with Implementation**

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, and after hearing a report from the Corporate Finance Senior Manager, the Sub-committee:

Noted progress made with implementation of the revised investment strategy.

**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 Accounting Manager (Corporate Finance), the Sub-committee:

Noted:

**7.1.** The review of investment performance by Hymans Robertson, the Council's appointed investment advisors, for the quarter to 31 December 2020, attached as Appendix 1 to the report by the Head of Finance.

**7.2.** That the performance of the Strategic Reserve Fund investments was considered excellent over the quarter to 31 December 2020, with the value of the Fund increasing by 7.0%, which was 2.5% ahead of the benchmark.

**7.3.** That, in absolute terms, the performance of the Strategic Reserve Fund had been positive over the 12-month period to 31 December 2020, with the value of the Fund increasing by 5.4% which, at 1.0% ahead the benchmark of 4.4%, was considered good.

**7.4.** The Sustainable Investment Report as at 31 December 2020, produced by Schroders, attached as Appendix 2 to the report by the Head of Finance.

**7.5.** The Investment Stewardship Annual Report 2020, produced by Blackrock, attached as Appendix 3 to the report by the Head of Finance.

## **8. Conclusion of Meeting**

At 11:47 the Chair declared the meeting concluded.

Signed: L Manson.