

Minute of Meeting Investment Review Board

Date	Time	Venue
Wednesday, 07 June 2017	11:00	Corporate Meeting Room 2, Council Headquarters, Renfrewshire House, Cotton Street, Paisley, PA1 1AN

Present: Councillor John McIntyre, Councillor Iain Nicolson, Councillor Jim Paterson, Councillor John Shaw

Chair

Councillor Shaw, Convener, presided.

In Attendance

A MacArthur, Head of Finance and P Shiach, Committee Services Officer (both Finance & Resources).

Also in Attendance

D Millar, Senior Investment Analyst, Hymans Robertson LLP and G Brisbane, Portfolio Manager (Standard Life Wealth Limited).

Declarations of Interest

There were no declarations of interest intimated prior to the commencement of the meeting.

1 Minute of Previous Meeting

There was submitted the Minute of the meeting of the Investment Review Board held on 23 November 2016.

DECIDED: That the Minute be noted.

2 Introductory Briefing - Operation of the Investment Review Board and Management of Common Good Fund Investments

There was submitted a presentation by the Head of Finance relative to the operation of the Investment Review Board and the management of the Common Good Funds.

The presentation provided information on the frequency of Board meetings; details of the three funds, namely Renfrew, Paisley and Johnstone Common Good funds; investment principles; the investment manager and investment adviser; and governance and reporting.

The Head of Finance was then heard in answer to questions from members on the content of the presentation.

DECIDED: That the presentation be noted.

3 Information Session - Renfrewshire Investment Portfolio and the Current Economic Position

There was submitted a briefing by D Millar, Hymans Robertson LLP, relative to the Renfrewshire investment portfolios and the current economic situation.

Mr Millar made reference to historic returns for world markets to 31 March 2017 indicating that survey data suggested sustained strength in business conditions over the period. The US Federal Reserve had raised US interest rates twice over the period to a range of 0.75% - 1% per annum by the end of March 2017.

He indicated that a resilient post-referendum performance from the United Kingdom economy and some fiscal easing lowered expectations that the Bank of England would cut interest rates again in the short term. Headline inflation had reached 2% or higher in the US, the Eurozone and the UK by the end of the period.

Mr Millar commented on the economic and market conditions in terms of the global perspective; the performance of equities and bonds over the period to 31 March 2017, and provided information in relation to the general performance, asset allocation and performance by asset class of the Paisley and Renfrew Common Good Funds. There followed a question and answer session.

DECIDED: That the information be noted.

4 Paisley and Renfrew Common Good Funds - Review of Investment and Income Performance

There was submitted a report by the Director of Finance & Resources relative to the performance of the Paisley and Renfrew Common Good Funds for the six-month

period ending 31 March 2017. The Head of Finance advised that the reporting period was the six months to 31 March 2017 and not 30 September 2016 as indicated in the report. A performance review report by Hymans Robertson LLP was appended thereto.

G Brisbane, Investment Manager, presented a report in relation to the performance of the Paisley and Renfrew Common Good Funds to 31 March 2017. The report provided information on the portfolio manager, world markets for period 31 March 2016 to 31 March 2017; global equity returns; the UK Gilt yield; long term global themes; investment guidelines; the performance of the Paisley and Renfrew Common Good funds to 31 March 2017; asset attribution; the top 10 equity holdings; policy influence; and the European election. An appendix to the report provided information on investment restrictions; alternatives; and population dynamics.

Mr Brisbane was then heard in answer to questions from members.

DECIDED:

(i) That it be noted that the reporting period covered in the report by the Director of Finance & Resources related to the six months to 31 March 2017 and not 30 September 2016 as indicated in the report; and

(ii) That the reports be otherwise noted.