

Minute of Meeting Investment Review Board

Date	Time	Venue
Wednesday, 01 June 2016	13:00	CMR 2, Council Headquarters, Renfrewshire House, Cotton Street, Paisley, PA1 1AN

PRESENT

Councillors Bibby, Holmes and Noon.

CHAIR

Councillor Holmes, Convener, presided.

IN ATTENDANCE

A MacArthur, Head of Finance, L Dickie, Finance Manager and P Shiach, Committee Services Officer (all Finance & Resources).

ALSO IN ATTENDANCE

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

APOLOGY

Councillor J MacLaren.

DECLARATIONS OF INTEREST

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

OBITUARY

Prior to the start of the meeting of the meeting the Convener referred with sadness to the sudden death of Councillor Eddie Grady. Reference was made to the contribution Councillor Grady had made to the Investment Review Board as Depute Convener. The Convener intimated that he would be missed by all and offered his condolences and those of the Board to Councillor Grady's family.

1 MINUTE OF PREVIOUS MEETING

There was submitted the Minute of the meeting of the Investment Review Board held on 25 November 2015.

DECIDED: That the Minute be noted.

2 UK/INTERNATIONAL EQUITIES BENCHMARK ALLOCATION

There was submitted a report by Hymans Robertson LLP relative to a review of the benchmark of the Renfrewshire Common Good Funds.

The report advised that the Renfrewshire Common Good Funds comprised the Paisley Common Good Fund and the Renfrew Common Good Fund. The value of the funds as at 31 March 2016 was detailed in table 1 of the report.

The report indicated that the investment objective was to achieve a return on the assets balanced between capital growth and income through investing in a combination of UK and overseas equities, fixed interest securities and cash whilst meeting the income target set each year by Renfrewshire Council.

The report provided information on the income requirement; rolling 5-year equity returns; volatility of returns; rolling 5-year equity volatility; manager skill; and concentration and globalisation.

DECIDED: That the report be noted.

3 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 2016. A performance review report by Hymans Robertson LLP was appended thereto.

D Millar, Investment Consultant commented on economic and market conditions relative to economic growth, in terms of the global perspective; the performance of equities and bonds over the period 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 during which reference was made to factors influencing the performance of equities during the period, and the resultant impact on the Funds.

M Connor, Senior Portfolio Manager, and G Brisbane presented a report in relation to the performance of the Paisley and Renfrew Common Good Funds to 30 September 2016. The report provided information on the Portfolio manager; world markets; investment guidelines and restrictions; performance to 31 March 2016; asset attribution in relation to Quarter 1 of 2016; the top 10 equity holdings in the Common Good Funds; performance attribution on the funds in the three months to 31 March 2016; notable events in global equities and gilts; continuing pressures on crude oil prices; and currencies.

Mr Connor and Mr Brisbane were then heard in answer to questions from members on their report.

DECIDED: That the reports be noted.

4 **DATE OF NEXT MEETING**

It was noted that the next meeting of the Investment Review Board would be held in Renfrewshire House on Wednesday, 23 November 2016.