

**Minutes of a meeting of the Investment Subcommittee held at County Hall,
Glenfield on Wednesday, 14 June 2017.**

PRESENT:

Leicestershire County Council

Mr. L. Breckon JP CC

Dr. S. Hill CC

Mr. P. C. Osborne CC

Leicester City Council/District Council
Representatives

Cllr. Malise Graham

Dr. Cllr. L. Moore

University Representative

Ms. M. Holden

Staff Representative

Mr. R. Bone

Independent Advisers and Managers

Mr. A. Green

1. Election of Chairman

That Mr. P.C Osborne CC be appointed Chairman of the Investment Subcommittee for the period ending with the date of the Annual Council meeting in May 2018.

2. Minutes of the previous meeting.

The minutes of the meeting held on 23 March 2016 were taken as read, confirmed and signed.

3. Question Time.

The Chief Executive reported that no questions had been received under Standing Order 35.

4. Questions asked by members.

The Chief Executive reported that no questions had been received under Standing Order 7(3) and 7(5).

5. Urgent items.

There were no urgent items for consideration.

6. Declarations of interest in respect of items on the agenda.

The Chairman invited members who wished to do so to declare any interest in respect of items on the agenda for the meeting. No declarations were made.

7. Recommended Investment In CRC Capital Release Fund III.

The Subcommittee considered a report by the Director of Corporate Resources which provided members with information in respect of a recommended investment in the Christofferson Robb & Company Capital Release Fund III (CRC III). A copy of the report marked '7' is filed with these minutes.

The Director explained that should the Subcommittee approve an investment in the CRC III, the investment would be financed using £40m of undrawn cash from within the Leicestershire Fund's Opportunity Pool.

Arising from discussion the following points were noted;

- The Capital Release Fund's target investment return of 10% was a highly attractive return to investors and the risk v return profile fit well with the expectations of the Opportunity Pool;
- Like any investment, the CRC III was not risk free, however the investment manager had produced highly credible returns to investors for over 10 years and a £40m investment would equate to only 1% of the Pension Fund's total assets and would therefore bring minimal additional risk to the Fund's overall profile should the investment not produce the expected returns.

RESOLVED:

That the report be noted.

8. Exclusion of the press and public.

RESOLVED

That under Section 100(A) of the Local Government Act 1972 the public be excluded from the meeting for the remaining items of business on the grounds that they involve the likely disclosure of exempt information as defined in Part 1 of Schedule 12(A) of the Act.

9. CRC (European Bank Capital Release) Capital Relief Fund III - Due Diligence Note.

The Subcommittee considered a briefing paper produced by the Fund's investment advisors, Hymans Robertson, which was followed by questions from members. A copy of the briefing note is filed with these minutes marked '9'. The note was not for publication by virtue of Paragraphs 3 and 10 of Part 1 of Schedule 12(A) of the Local Government Act 1972.

RESOLVED:

That the briefing paper be noted.

10. CRC Capital Release - Presentation by Christofferson Robb & Company

The Subcommittee received a presentation by representatives from Christofferson Robb & Company which was followed by questions from members. A copy of the presentation is filed with these minutes marked '10'. The presentation was not for publication by virtue of Paragraphs 3 and 10 of Part 1 of Schedule 12(A) of the Local Government Act 1972.

RESOLVED:

That a £40m commitment to invest in the Christofferson Robb and Company Capital Release Fund III be approved.

Wednesday, 14 June 2017
10.00 am - 11.40 am

CHAIRMAN