

**Minutes of a meeting of the Investment Subcommittee held at County Hall,  
Glenfield on Wednesday, 2 October 2024.**

**PRESENT:**

Leicestershire County Council

Mr. T. Barkley CC (Chairman)  
Mr. D. C. Bill MBE CC

Leicester City Council

Cllr. G. Whittle

Staff Representative

Mr C. Pitt

Independent Advisers and Managers

Mr Philip Pearson                      Hyman's Robertson

**11. Minutes.**

The minutes of the meeting held on 24 July 2024 were taken as read, confirmed and signed.

**12. Question Time.**

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

**13. Questions asked by members under Standing Order 7(3) and 7(5).**

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

**14. Urgent Items.**

There were no urgent items for consideration.

**15. Declarations of interest.**

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.

**16. Cash Position 30 June 2024, Deployment Against the Strategic Asset Allocation, Bank Risk Share Investment.**

The Sub-Committee considered a report of the Director of Corporate Resources, the purpose of which was to provide an update on the cash holding of Leicestershire County Council Pension Fund and plans for its deployment against the Strategic Asset Allocation (SAA). The report also provided background information regarding a proposed commitment to bank risk share investments in order to maintain alignment to the SAA and a proposed sale of a non-core asset. A copy of the report marked 'Agenda Item 6' is filed with these minutes.

Arising from discussion, the following points were made:

- (i) An investment of approximately £20m - £25m might be made to a Timberland Asset class during the next month, subject to further details being confirmed by the Fund's manager. An update would be provided to the Local Pension Committee at its meeting in November.
- (ii) Limits set in the Cash Management Strategy regarding how much could be held in fixed term deposits and in a single money market fund helped to manage the balance needed between liquidity, return and security. When interest rates were higher, money market funds were more attractive. However, the Director reported that as much as possible would be tied up in fixed term deposits at slightly higher rates and currently the difference in return was marginal.
- (iii) The Funds listed equity target had been reduced by 4.5%. This was not regarded as substantial as this would be managed gradually over time. The target had been reduced because the Fund was seeking to move away from growth to income producing assets. This reflected the risk profile for the Fund, taking a long term view, not due to any concerns arising from specific assets.
- (iv) The property historically owned by the Fund located at Cotham was of immaterial value to the Fund. There was currently no potential development opportunity for the land, this was not being included in the current or future district local plan. The Director assured members that independent agents would be instructed to review all opportunities for the site prior to any proposed sale and that subject to their advice, overage provisions would be included in any sale contract if considered appropriate to protect the Council's interests should the site be developed at any point in the future.

In addition to noting the report, the Chairman moved that, following consultation with him as Chairman of the Investment Subcommittee, the Director of Corporate Resources be given delegated authority to proceed with the sale of the land at Cotham as outlined on the plan appended to the report after receiving appropriate advice from an independent agent to be

appointed.

The motion was seconded and carried unanimously.

RESOLVED:

- (a) That the report be noted;
- (b) That the Director of Corporate Resources be given delegated authority, following consultation with the Chairman of the Investment Subcommittee, to proceed with the sale of the land at Cotham as outlined in red on the plan appended to the report subject to appropriate advice having been received from an independent agent to be appointed.

#### **17. Date of Next Meeting.**

It was noted that the next meeting would be held on 11<sup>th</sup> December 2024.

#### **18. 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 involved the likely disclosure of exempt information as defined in Part 1 of Schedule 12(A) of the Act.

#### **19. Recommended Investment to Bank Risk Share Investments**

The Sub-Committee considered a report of the Director of Corporate Resources the purpose of which was to seek approval for a bank risk share investment. A copy of the report marked 'Agenda Item 10' is filed with these minutes.

Mr Philip Pearson from Hymans Roberston, the Fund's investment advisors, provided a presentation as part of this item detailing the outcome of its review of risk sharing strategies and its recommendations regarding the proposed investment.

The Chairman welcomed representatives from Christofferson Robb and Company (CRC) to the meeting who provided a presentation on its investments.

The Committee asked a number of questions of CRC regarding regulatory controls, risk, competition in the market, leverage, and the companies ESG credentials.

*After their presentation, the representatives from CRC left the meeting for Members to consider the recommendation in private.*

RESOLVED:

That general cash balances fund a £40million (GBP) commitment to the CRC Capital Relief Fund 6 pending satisfactory legal due diligence.

Wednesday, 2 October 2024  
10.00 am - 11.52 am

CHAIRMAN