

Minutes of an Extraordinary Meeting of the  
Investment Committee held in Committee  
Room 2, Kensington Town Hall, at 6.30 pm  
on 25 April 2019

## PRESENT

### Members of the Committee:

Cllr Quentin Marshall (Chairman)  
Cllr Marwan Elnaghi  
Cllr Sina Lari  
Cllr Mary Weale

### Co-opted non-voting members:

Sir Michael Craig-Cooper

### In attendance:

Deborah Robinson, Governance Administrator  
Phil Triggs, Tri-Borough Director of Treasury & Pensions

## A G E N D A

### A1 Apologies for Absence

Apologies for absence had been received from Cllr Robert Freeman, Robin Broadhurst and Jonathon Read.

### A2 Members' Declarations of Interest

No declarations of interest were made.

### A3 Ratification of the Property Steering Group's recommendation on the appointment of an external direct property manager (Report A3)

The Chairman said the purpose of the Extraordinary Meeting was for the Investment Committee to ratify the recommendation made by the Property Steering Group to appoint CBRE Ltd as the Council's property investment adviser, as indicated in the report.

Following the Committee's meeting held on 13 March 2019, the Property Steering Group had held interviews on 27 March 2019 with the four highest scoring applicants. The report at B1 (restricted for Members only) set out the final scoring and evaluation results following the interviews.

Mr Triggs referred to the regulations in the report (paragraph 4 – Legal Comments) that required ten days' standstill period after awarding the contract, followed by a contract award notice to the Publications Office within 30 days.

Cllr Elnaghi asked about the technology referred to in the report (4<sup>th</sup> bullet point of paragraph 2.2). The Chairman said the Committee would have an opportunity to question CBRE, were they appointed, on how they use technology and to allay any concerns about inappropriate use. Cllr Weale noted that CBRE were beaten on price. The Chairman said they were judged to offer the best value for

money overall, as shown in the scoring matrix. He also noted that over the long term the advised model being used should result in significant savings versus using a property fund (alongside other advantages). He observed CBRE is one of the largest professional companies operating in the real estate sector. Cllr Lari noted the contract would be for 15 years and Mr Triggs said this reflected the long-term relationship for property investment; only three months' notice would be required to terminate the contract.

Following discussion, the Committee unanimously RESOLVED:

- That the Property Steering Group's recommendation to appoint CBRE Ltd as the Council's property investment adviser in respect of its Pension Fund direct property mandate be approved.
- The contract would be for a term of 15 years at an estimated cost of £410,000 per annum.

**Action: Mr Triggs**

#### **A4 Property Selection**

The Chairman said the Committee would need to consider how decisions on property selection could be made quickly when suitable properties were notified. He suggested this might be by delegated authority for decision by the Property Steering Group or by email confirmation from Committee members. Governance Services would be asked to advise the Committee and help submit any changes to the Administration Committee.

**Action: Governance Services**

#### **A5 Appointment of Co-optee Member**

The Chairman said the Committee would need to consider the appointment of a new Co-optee Member, following the death last month of Hon Alderman John Cox and pre-existing vacancies.

**Action: Governance Services**

The Meeting ended at 6.45 pm

Chairman