

MINUTES

meeting: **INVESTMENT ADVISORY SUB-COMMITTEE**

date: **20 JULY 2005**

PRESENT:-

Councillor Singh (Chair)	-	Wolverhampton City Council
Councillor Eling	-	Sandwell Metropolitan Borough Council
Councillor Kyles	-	Solihull Metropolitan Borough Council
Councillor Zahid	-	Walsall Metropolitan Borough Council
Councillor Miller	-	Dudley Metropolitan Borough Council
Councillors Docherty, Bilson and Mrs J M C Stevenson	-	Wolverhampton City Council

UNION OBSERVER

M Clift	-	TGWU
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EXTERNAL ADVISERS IN ATTENDANCE:-

P Bishop	-	Mercer Investment Consulting
J Fender	-	J Fender Consultancy
H Meaney	-	Healey and Baker
J Windust	-	Gartmore Investments Ltd

OFFICERS IN ATTENDANCE:-

B Bailey	-	Director for Resources and Support
J Saunders	-	Resources and Support
S B Stephens	-	Resources and Support
D Evans	-	Resources and Support
C W Craney	-	Democratic Support Officer

APOLOGIES FOR ABSENCE:-

Apologies for absence were submitted on behalf of Councillor Ridley – Coventry City Council and I Smith - AMICUS

PART I OPEN ITEMS
(Open to the Press and Public)

Declarations of Interest

1 There were no declarations of interest made.

Minutes

2 Resolved:-
 That the minutes of the meeting held on 27 April 2005 be approved as a correct record and signed by the Chairman.

Exclusion of Press and Public

3 Resolved:-
 That in accordance with Section 100A(4) of the Local Government Act 1972, the press and public be excluded from consideration of the items of business in Part II of the Agenda on the grounds that, in view of the nature of the business to be transacted, or the nature of the proceedings, exempt information falling within paragraph 7 of Schedule 12A of the Act is likely to be disclosed.

PART II - EXEMPT ITEMS
(Press and Public Excluded)

Investment Presentations

 The Director for Resources and Support reported that Martin Currie had been appointed in October 2002 as part of the actively managed UK Equities portfolio. An initial amount of £3.5m had been invested in their UK Equity Growth Fund. A further £8m was added gradually to the investment over the subsequent period. The funds holding was currently valued at £15m. Since inception the investment had cumulatively exceeded the FTSE All Share Index return.

 Jeff Saunders, Fund Manager and Raymond Morgan, Director for Institutional Business Development gave a presentation about the work of Martin Currie Investment Asset Management on behalf of the West Midlands Pension Fund in relation to UK Active Equities.

 The Director for Resources and Support made a presentation highlighting that as part of the recent Actuarial Revaluation exercise a review of the Investment Strategy had been undertaken resulting in changes to the asset allocation and requirement to appoint four new equity managers. As the implementation of the revised strategy involved not only switching between asset classes but also the appointment of new managers progress was outlined together with next steps on new manager appointments.

4 Resolved:-
 That the presentations and reports be received and noted.

West Midlands Pension Fund Investment Management Activity from 1 March 2005 to 31 May 2005 (Appendix 6)

The Director for Resources and Support presented a report giving details of investment activity from 1 March 2005 to 31 May 2005. He drew attention to the build up of cash due to current market conditions and pending new manager appointments. Mr H Meaney of Healey and Baker updated the Panel on the current position with regard to the redevelopment of 35/39 Newhall Street, Birmingham. J Fender of J Fender Consultancy advised the Sub-Committee on the consultation process relating to the particular planning application and on delays which have occurred due to the changes in the Case Officer at Birmingham City Council.

- 5 Resolved:-
That the report be received and noted.

Report on Private Equity (Appendix 7)

Pursuant to Minute 20 (27 April 2005) the Director for Resources and Support presented a report in relation to Private Equity Portfolio and in particular the current level of investment and agreed future targets. The report also detailed investments shown together with their performance and specific information was provided in respect of Pantheon Ventures III.

- 6 Resolved:-
That the current position in terms of Private Equity Strategy together with the returns achieved and expected from the various investments be noted.