

# MINUTES

meeting: **INVESTMENT ADVISORY SUB-COMMITTEE**

date: **18 APRIL 2007**

## **PRESENT:-**

Councillor T H Turner (Chair)	-	Wolverhampton City Council
Councillor Bilson	-	Wolverhampton City Council
Councillor Singh	-	Wolverhampton City Council
Councillor Mrs J M C Stevenson	-	Wolverhampton City Council
Councillor Mrs Johnson	-	Coventry City Council
Councillor Martin	-	Solihull MBC

## **UNION OBSERVER:-**

M Clift	-	TGWU
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## **EXTERNAL ADVISERS IN ATTENDANCE:-**

P Gale	-	Gartmore Investment Limited
A Owens	-	William M Mercer Limited
J Fender	-	John Fender Consultancy
W MacLeod	-	Cushman and Wakefield Investors
N Barker	-	Cushman and Wakefield Investors

## **OFFICERS IN ATTENDANCE:-**

B Bailey	-	Director for Resources and Support
S Stephens	-	Chief Legal and Procurement Officer, Resources and Support
J Saunders	-	Chief Investment Officer, Resources and Support
M Fox	-	Democratic Support Officer

## **APOLOGIES FOR ABSENCE:-**

Apologies for absence were submitted on behalf of Councillor Zahid Ali (Walsall MBC), Councillor Eling (Sandwell MBC), Councillor Allport (Solihull MBC) and I Smith (Trade Union Observer)

**Wolverhampton**  
City Council



**PART I - OPEN ITEMS**

**Declarations of Interest**

24 No interests were declared.

**Minutes**

25 Resolved:-  
That the minutes of the meeting held on 17 January 2007 be approved as a correct record.

**External Advisors**

26 The Director for Resources and Support advised the Sub-Committee that Howard Meaney had now moved from his position with Cushman and Wakefield Investors who would in future be represented by Bill MacLeod and Nick Barker. He undertook to write on behalf of the Sub-Committee to Howard Meaney, thanking him for his support for the work of the Sub-Committee and wishing him well for the future. The Chair then welcomed Bill Macleod and Nick Barker to their first meeting.

**Exclusion of Press and Public**

27 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 3 of Schedule 12A of the Act is likely to be disclosed.

**PART II - EXEMPT ITEMS**

**Investment Presentations (Appendix 17)**

The Sub-Committee received a presentation from Artemis Investment Management about their UK Equity Portfolio. They were represented by Elaine Gordon, Head of Institutional Client Service.

A booklet was presented which gave an introduction to the organisation, an overview of the investment process, together with details of performance and market outlook. Following the presentation and question period, the Chair thanked the representative for her attendance at the meeting and she withdrew.

A further presentation was then received from Nomura Asset Management, who had been managing money for the Fund in the Japanese equity market since March 1984. They were represented by Mark Roxburgh, the Executive Officer in charge of marketing and client services for UK, Europe, Africa and the Middle East. The presentation was accompanied by a booklet which summarised the strategy of the company, gave an overview of the

economic situation in Japan, and performance of the Fund in 2006/07. Mr Roxburgh also answered questions about the disappointing performance in the first quarter of 2007, compared with performance in 2006.

Following the presentation and question period, the Chair thanked Mr Roxburgh for his attendance at the meeting and he withdrew.

- 28 Resolved:-  
That the presentations and report be noted.

### **Structure of Japanese Portfolio (Appendix 18)**

The report asked Members to consider the current structure of the Fund's Japanese Equity Portfolio with a view to the possible repositioning of some of the elements where appropriate, in order to achieve closer to benchmark returns.

- 29 Resolved:-  
That, in connection with the structure of the Japanese Portfolio,
- (i) the re-positioning of the Portfolio be approved in order to reduce long term volatility and to gain some exposure to the FTSE Japan Index; and
  - (ii) Legal and General be appointed as a passive manager.

### **West Midlands Pension Fund Investment Management Activity from 1 December 2006 to 28 February 2007 (Appendix 19)**

The Director for Resources and Support presented a report giving details of investment activity from 1 December 2006 – 28 February 2007. Messrs MacLeod and Fender also gave an overview of the Property Portfolio. The Director then submitted proposals for a study tour by Sub-Committee Members to Madrid and Milan commencing on Monday 22 October 2007.

- 30 Resolved:-  
That the report be received and noted, together with the proposals for the proposed Sub-Committee study tour.