

MINUTES

meeting: **INVESTMENT ADVISORY SUB-COMMITTEE**

date: **17 OCTOBER 2012**

PRESENT:-

Councillor T Singh (Chair)	-	Wolverhampton City Council
Councillor Bilson	-	Wolverhampton City Council
Councillor Heap	-	Wolverhampton City Council
Councillor T H Turner	-	Wolverhampton City Council
Councillor Bains	-	Coventry City Council
Councillor Zada	-	Dudley MBC
Councillor Silvester	-	Sandwell MBC
Councillor Martin	-	Solihull MBC

TRADE UNION REPRESENTATIVES:-

M Clift	-	UNITE
I Smith	-	UNITE

EXTERNAL ADVISORS IN ATTENDANCE:-

W Marshall	-	Hymans Robertson
J Fender	-	John Fender Consultancy
M Daggett	-	CBREGI
M Roult	-	CBREGI
A MacDougall	-	PIRC
J Hayward	-	PIRC

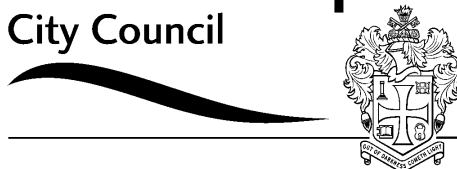
OFFICERS IN ATTENDANCE:-

K Dervey	-	Senior Investment Manager
T Doyle	-	Senior Investment Manager
C Duggan	-	Compliance and Risk Manager
D Evans	-	Investment Manager
N Perrins	-	Chief Pensions Service Manager
M Taylor	-	Financial Controller-Corporate Services
M Fox	-	Democratic Support Officer-Governance

APOLOGIES FOR ABSENCE:

Apologies for absence were submitted on behalf of Councillors Eling (Sandwell MBC) and Zahid Ali (Walsall MBC), G Drever (Director of Pensions) and P Main (Assistant Director – Corporate Services)

Wolverhampton
City Council



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

Substitutes/Welcome to Councillor

- 9 Councillor Silvester attended the meeting on behalf of Councillor Eling. The Chair took the opportunity of welcoming Councillor Zada, Dudley MBC, to his first meeting of the Sub-Committee

Declarations of Interest

- 10 No interests were declared.

Minutes

- 11 Resolved:-
That the minutes of the meeting held on 4 July 2012 be approved as a correct record.

Exclusion of Press and Public

- 12 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 the paragraph 3 of Schedule 12A of the Act (information relating to the business or financial affairs of any particular person) is likely to be disclosed.

Investment Presentation (Appendix 1/5)

The Sub-Committee received a presentation from Pensions and Investment Research Consultants Limited (PIRC). They were represented by Alan MacDougall, Managing Director and Janice Hayward, Client Services Director. The presentation was accompanied by a written document which gave information about the organisation and its activities and the services which it provides for the West Midlands Pension Fund. Other documents detailing the activities of PIRC were also circulated for information.

After a period of questions, the Chair thanked the representatives for their attendance at the meeting.

- 13 Resolved:-
That the presentation from PIRC be received.

Responsible Investment and Corporate Governance (Appendix 1/6)

This report provided an overview of the Fund's approach to responsible investment and corporate governance. Alan MacDougall (PIRC) provided additional information about the report and Kevin Dervey, Senior Investment Manager, also asked the Sub-Committee to approve attendance at the Annual Local Authority Pension Fund Forum (LAPFF) Conference in November. The Chair indicated that the invitation extended to all Sub-Committee Members.

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Resolved:-

That the report be noted and that attendance at the annual LAPFF conference in Bournemouth in November by Councillors and Trade Union representatives serving on the Sub-Committee be approved.

Strategic Investment Allocation Benchmark (SIAB) Update Review (Appendix 1/7)

A report was submitted which provided an interim view from Hymans Robertson on the Funds' current Strategic Investment Allocation Benchmark (SIAB), together with the detailed implementation plan. Kevin Dervey, Senior Investment Manager, indicated that tenders have been invited from external managers to manage global emerging markets mandates. It was also noted that the private equity portfolio currently exceeds the medium term asset allocation and is under review. Councillor Bilson questioned whether there are plans to re-organise training on this type of issue for Councillors, which had originally been scheduled to take place today. William Marshall (Hymans Robertson) confirmed that training will be re-scheduled.

15

Resolved:-

That the report be noted.

West Midlands Pension Fund Investment Management Activity From 1 April – 30 June 2012 (Appendix 1/8)

Kevin Dervey, Senior Investment Manager, submitted a report giving details of investment activity between April – June 2012. He provided additional information as appropriate and added that the current market value of the Fund represents a record high. Councillor Bilson suggested that the Sub-Committee should place on record its appreciation of this achievement, bearing in mind particularly the current economic situation.

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Resolved:-

That the report be received and that the Sub-Committee's appreciation of the achievements of appropriate employees regarding the market value of the Fund be placed on record.