

FALKIRK COUNCIL

EXTRACT OF MINUTE of MEETING of the POLICY & RESOURCES COMMITTEE held in the MUNICIPAL BUILDINGS, FALKIRK on TUESDAY 18 NOVEMBER 2008 at 10.30 a.m.

PR74. TREASURY MANAGEMENT – INTERIM REVIEW 2008/09

There was submitted Report (circulated) dated 20 October 2008 by the Director of Finance Services detailing the Council's Treasury Management function.

The Report in particular outlined the Council's borrowing and investment strategies, highlighting the criteria used to determine the selection of building societies on the Council's approved counterparty list for investment.

Councillor Gow, seconded by Councillor Fry moved the recommendations contained in the Report.

By way of an amendment, Councillor Alexander, seconded by Councillor Kenna, moved the recommendations in the Report and that "Council notes the financial problems of the banks previously regarded as triple rated institutions by our advisers.

Committee is of the view that this highlights the fact that we now live in changing times and the size of financial institutions are no guarantee of performance.

Committee therefore believes that Scottish building societies such as the Dunfermline Building Society have demonstrated a high level of financial prudence and sound management in difficult times.

Committee therefore agrees to include Scottish based institutions that have enjoyed the status of "mutual" within its approved list of institutions available to receive short-term investments."

In terms of Standing Order 21.4(ii) a vote was taken by way of a roll call.

There being 8 Members present, with Members voting as undernoted:

For the Motion – Provost Reid, Depute Provost Black, Councillors Fry and Gow.

For the Amendment – Councillors Alexander, Kenna, Jackson and Spears.

There being an equality of votes and in terms of Standing Order 21.6 the Convener used her casting vote in favour of the Motion.

Accordingly, **RESOLVED** in terms of the Motion.

NOTED the progress of the Council's Treasury Management Strategy for 2008/09.

Councillor Spears left the meeting upon the conclusion of the foregoing item of business.