

Extraordinary Council: 4 November 2008

Motion

Amendment: Cllr. Mike Freer

delete all and insert:

Council understands that Barnet is one of at least 108 Local Authorities and other organisations (including the Audit Commission) in the UK to experience exposure to the Icelandic banking collapse.

Council notes that Barnet's investment strategy was based upon principles encouraged by HM Treasury, and was in line with the CIPFA Code of Practice of Treasury Management.

Council also notes that the Icelandic banks involved were awarded good ratings by Credit Agencies when the deposits were made.

Council further notes that the Treasury Management Strategy for 2008 was not Called-In, nor was concern raised about any aspects of the investment portfolio by the Audit Committee.

Accordingly Council requests the Resources, Performance and Partnerships Overview and Scrutiny Committee conducts a review of the Treasury Management Policy that lead to the deposits in Icelandic Banks and includes inviting the Chairman of the Audit Committee to give evidence.

Council requests the Resources, Performance and Partnerships Overview and Scrutiny Committee concentrates upon the risks to Council Taxpayers (in terms of Council Tax rises and service cuts) if this investment is not returned to the authority. Further, the Resources Scrutiny Committee is requested to assess the effectiveness of the Administration's plans to protect Council Taxpayer's interests in the eventuality that this money is lost.

Council pledges to support any necessary action to minimise any impact on Barnet residents.

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Motion

Amendment: Cllr. Dan Thomas

Add at the end

Council further notes opposition Members of the Pension Fund Committee did not raise any concerns over the investment strategy for cash deposits.

Substantive Motion to read:

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Council further notes opposition Members of the Pension Fund Committee did not raise any concerns over the investment strategy for cash deposits.