

**FILEY TOWN COUNCIL**

**MINUTES OF THE FINANCE & GENERAL PURPOSES COMMITTEE**  
**MEETING HELD 22 OCTOBER 2008**

Present: Cllr D Murton (in the Chair), Cllr J Haxby, Cllr C Hodgson, and Cllr Mrs M Wright  
RFO Mrs G Robinson

Independent Financial Advisor, Mr R Smith, Smith Walker Westwood

The Chairman welcomed Mr R Smith to the meeting and introduced him to members and staff present at the meeting.

**NOTICE OF THE MEETING**

**RESOLVED : That Public Notice of the meeting had been given in accordance with Schedule 12, para 10(2) of the Local Government Act 1972** **F726/08**

**APOLOGIES**

Cllr S Cross and Cllr Mrs S Bradney had sent apologies to the meeting.

**RESOLVED: That Cllr S Cross and Cllr Mrs S Bradney's apologies be accepted.** **F727/08**

**DECLARATIONS OF INTEREST**

There were no declarations of interest in items on the agenda.

**RESOLVED : That this information be noted.** **F728/08**

**REVIEW OF INVESTMENT**

As requested by the Town Council the Independent Financial Advisor had produced a current appraisal/report which had been circulated to members by the RFO prior to the meeting. Mr Smith informed members of his financial background and gave details of the Smith Walker Westwood company which is regulated by the Financial Services Authority (FSA). He fully explained the content and recommendations contained within his appraisal/report on the performance of the Investment Bond. Mr Smith stated that there was scope to switch funds within the Capital Redemption Bond between asset classes to spread the risk and he went on to explain this fully to members. The bond is currently invested within two commercial property funds, 50% in the M&G Property Fund and 50% in the Premier Diversified Fund, the latter being a fund of funds which provides a larger spread. Mr Smith informed members that due to the current financial climate he did not forecast a positive outlook for commercial property for the next 12 months, although both of the funds are good property providers. Members discussed various options available to the council for the future management of the investment bond with Mr Smith. The Chairman thanked Mr Smith for attending the meeting, for providing his report and his verbal independent financial advice and he left the meeting at 8.10pm.

*Standing Orders were suspended at this point for a five minute break.  
Standing Orders were reinstated at 8.15pm.*

The Chairman invited members to discuss the content of Mr Smith's appraisal/report and the options discussed with him at the meeting. Members valued Mr Smith's comments and suggestions and were of the opinion that a switch between asset classes to spread the financial risk would be prudent. It was agreed that in order to provide financial stability and cohesion that an Independent Financial Advisor be retained for a period of two years which would alleviate the RFO of the responsibility of monitoring and managing investments. After discussion it was

**RESOLVED: That a recommendation be made to full council to retain Mr Smith from Smith Walker Westwood as the Town Council's Independent Financial Advisor for a period of two years on a fee option basis.**

**F729/08**

**RESOLVED: That a recommendation be made to full council that a switch of funds be made within the Investment Bond as follows, retain the 50% of funds in the Premier Diversified Fund and switch the 50% of funds currently held with M&G Property to hold 50% of the bond in UK Government Gilts which are to be advised by the Independent Financial Advisor.**

**F730/08**

**RESOLVED: That the Finance & General Purposes Committee wished to express their appreciation to the RFO for undertaking additional responsibilities over the past year and throughout the financial crisis.**

**F731/08**

**ADVICE INFORMATION**

The RFO circulated to member's copies of an advice briefing note from NALC regarding the Banking Crisis for information. It was

**RESOLVED: That the above information be noted.**

**F732/08**

*Under Section 17 of the Crime and Disorder Act 1998, members considered that none of the above decisions would impact on crime and disorder.*

Chairman  
Councillor D G Murton