

COMMITTEE: **AUDIT AND GOVERNANCE**

DATE: **21ST SEPTEMBER 2011**

SUBJECT: **TREASURY MANAGMENT**

REPORT BY: **HEAD OF FINANCE**

CONTACT OFFICER: **DAVE KEMPSON - 01582 546087**

IMPLICATIONS:

LEGAL

COMMUNITY SAFETY

EQUALITIES

ENVIRONMENT

FINANCIAL

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CONSULTATIONS

STAFFING

OTHER

WARDS AFFECTED: none

PURPOSE

1. To enable members to review the Treasury Management Strategy and the latest activity undertaken in accordance with that strategy.

RECOMMENDATION (S)

2. **Audit and Governance Committee is recommended to review and scrutinise the strategy and activity, and to make any comments or recommendations to the Executive and Head of Finance as appropriate.**

BACKGROUND

3. If Committee agrees the reference from Finance Review Group, it will take on the formal role in scrutinising Treasury Management. Further, the Committee has previously asked for, and received, reports on the Council's Treasury Management Activity.

REPORT

4. Attached is the agreed strategy for the current year, and the latest activity report, for review.

PROPOSAL/OPTION

5. It is proposed that the committee scrutinise the strategy and activity, and give their views as appropriate.

FINANCIAL IMPLICATIONS

6. Treasury Management, including investment, is fundamentally important for the Council, in terms of the security of its investments (which is of primary importance, particularly since the Icelandic Bank saga), liquidity, investment return, and minimising the costs of borrowing.

APPENDIX

Appendix 1 – Treasury Management Strategy including appendices

Appendix 2 – Treasury Management Activity

LIST OF BACKGROUND PAPERS

LOCAL GOVERNMENT ACT 1972, SECTION 100D

There are no background papers relating to this report.