

Audit Committee – 28th October 2010

6. Treasury Management Practices

Strategic Director: Mark Williams, Chief Executive
Assistant Director: Donna Parham (Finance and Corporate Services)
Lead Officer: Karen Gubbins, Principal Accountant - Exchequer
Contact Details: karen.gubbins@southsomerset.gov.uk or 01935 462456

Purpose of the Report

To request members of the Audit Committee to approve the Treasury Management Practices (TMPs). A copy of the Treasury Management Practices document has been circulated separately with the agenda.

Recommendation

That members approve the Treasury Management Practices.

Background

The CIPFA Code of Practice on Treasury Management in the public Services, which was revised in 2001, had further revision in 2009. The code requires the setting out of the responsibilities and duties of members and officers, allowing a framework for reporting and decision making on all aspects of treasury management. This Council had adopted the original Code and has similarly adopted the revised 2009 Code in March 2010. The Code recommends the creation and maintenance of:

- A Treasury Management Policy Statement, stating the policies and objectives of its treasury management activities,
- Suitable Treasury Management Practices setting out the manner in which the organisation will seek to achieve those policies and objectives and prescribing how it will manage and control those activities.

The Treasury Management Practices comprise:

- TMP 1: Risk management
- TMP 2: Performance measurement
- TMP 3: Decision-making and analysis
- TMP 4: Approved instruments, methods and techniques
- TMP 5: Organisation, clarity and segregation of responsibilities and dealing arrangements
- TMP 6: Reporting requirements and management information arrangements
- TMP 7: Budgeting, accounting and audit arrangements
- TMP 8: Cash and cash flow management
- TMP 9: Money laundering
- TMP 10: Training and qualifications
- TMP 11: Use of external service providers
- TMP 12: Corporate governance

Schedules supporting these practices and other documents held at an operational level specify the systems and routines to be employed and the records to be maintained in fulfilling the Council's treasury functions.

Financial Implications

There are no financial implications in accepting this report and the associated recommendations.

Background Papers: *CIPFA Treasury Management Code of Practice*
Treasury Management Strategy Statement
