

Audit Committee – 26 September 2013

11. Treasury Management Practices

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Purpose of the Report

To request members of the Audit Committee approve the attached Treasury Management Practices (TMPs).

Recommendations

1. That members approve the attached Treasury Management Policy (Appendix 1);
2. That members approve the attached Treasury Management Practices (Appendix 2).

Background

The CIPFA Code of Practice on Treasury Management in the public Services (the Code) was last revised in November 2011. 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 2011 Code in March 2013. 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:

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| 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 |

This differs significantly from the Treasury Management Practices that were approved last year. The schedules supporting these practices are now at a higher level giving an overview of the processes to be followed. The detail specifying the systems and routines

to be employed and the records to be maintained in fulfilling the Council's treasury functions and any other documents supporting the processes are now held at an operational level within an operations manual.

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
Treasury Management Operations Manual
