

Decision Maker: Council

Date: 20th January 2012

Decision Type: Non-Urgent Non-Executive Non-Key

Title: **TREASURY MANAGEMENT -
(A) MID YEAR REVIEW 2011/12
(B) TREASURY MANAGEMENT STATEMENT AND ANNUAL
INVESTMENT STRATEGY 21012/13**

Contact Officer: Graham Walton, Democratic Services Manager
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Chief Officer: Mark Bowen, Director of Resources

Ward: N/A

1. Reason for report

- 1.1 Following scrutiny by the Executive and Resources PDS Committee, the Resources Portfolio Holder has made recommendations to Council concerning Treasury Management – the details are set out in the attached reports.

2. **RECOMMENDATION(S)**

- (1) That the Treasury Management Mid Year Review 2011/12 be noted and changes to the prudential indicators as set out in Annex B to the report be approved.
- (2) That the Treasury Management Statement and Annual Investment Strategy for 2012/13 (Appendix 1 and pages 6-26 of the report) be noted and adopted, including the prudential indicators (summarised on page 26) and the Minimum Revenue Provision (MRP) policy statement (page 9.)

Corporate Policy

1. Policy Status: Existing policy. To maintain appropriate levels of risk, particularly security and liquidity, whilst seeking to achieve the highest rate of return on investments.
 2. BBB Priority: Excellent Council.
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Financial

1. Cost of proposal: N/A
 2. Ongoing costs: N/A.
 3. Budget head/performance centre: Interest on balances
 4. Total current budget for this head: £2.691m (net) in 2011/12; surplus of £300k currently forecast plus £700k from part-reversal of Icelandic Bank impairment.
 5. Source of funding: Net investment income
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Staff

1. Number of staff (current and additional): 0.4fte
 2. If from existing staff resources, number of staff hours: N/A
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Legal

1. Legal Requirement: Non-statutory - Government guidance.
 2. Call-in: Call-in is not applicable.
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Customer Impact

1. Estimated number of users/beneficiaries (current and projected): N/A
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Ward Councillor Views

1. Have Ward Councillors been asked for comments? No.
2. Summary of Ward Councillors comments: N/A

3. COMMENTARY

- 3.1 At its meeting on 14th November 2011, the Executive and Resources PDS Committee considered the Treasury Management Mid Year Review for 2011/12. With the Committee's support, the Resources Portfolio Holder subsequently agreed that Council should be recommended to note the Mid Year Review and approve changes to the prudential indicators. The report is attached as **Appendix A**.
- 3.2 At its meeting on 25th January 2012, the Executive and Resources PDS Committee considered the proposed Treasury Management Statement and Annual Investment Strategy 2012/13. With the Committee's support, the Resources Portfolio Holder subsequently agreed to recommend that Council note the report and adopt the Treasury Management Statement and Annual Investment Strategy 2011/12. The report is attached as **Appendix B**.

Non-Applicable Sections:	Policy/Financial/Legal/Personnel – see attached reports.
Background Documents: (Access via Contact Officer)	