

Subject:	Treasury Management Policy Statement 2012/13 (including Annual Investment Strategy 2012/13) – Mid Year Review		
Date of Meeting:	22 January 2012		
Report of:	Director of Finance		
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Ward(s) affected:	All		

FOR GENERAL RELEASE**1. SUMMARY AND POLICY CONTEXT:**

- 1.1 The mid year review of performance against the Treasury management Policy Statement and Annual Investment Strategy is considered by the Policy & Resources Committee and forwarded to the next available meeting of the Audit & Standards Committee for scrutiny and examination in the context of the committee's role in reviewing the adequacy and effectiveness of the council's control framework including financial management processes, of which Treasury Management is an important component.

2. RECOMMENDATIONS:

- 2.1 That the Committee note the report to the Policy & Resources Committee on 29 November 2012 (Appendix 1) and the subsequent recommendations and resolution.

3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

- 3.1 The Treasury Management Policy Statement 2012/13 (TMPS) and the Treasury Management Practices (including the schedules) for the year commencing 1 April 2012 were approved by Cabinet on 15 March 2012. Full Council approved the Annual Investment Strategy 2012/13 (AIS), which forms part of the TMPS, on 22 March 2012. The policy statement sets out the key role for treasury management, whilst the practices and schedules set out the annual targets for treasury management and the methods by which these targets shall be met. The AIS sets out the parameters within which investments can be made. Detailed information is provided in the appended report to the Policy & Resources Committee on 29 November 2012 (Appendix 1). The report is included on the Audit & Standards Committee's agenda for the reasons stated in paragraph 1.1 above.

4. COMMUNITY ENGAGEMENT AND CONSULTATION

- 4.1 Detailed in the Report to the Policy & Resources Committee on 29 November 2012 (Appendix 1).

5. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 5.1 None directly relating to this report. Implications in relation to the mid year review are detailed in the report to the Policy & Resources Committee on 29 November 2012 (Appendix 1).

Legal Implications:

- 5.2 None directly relating to this report. Implications in relation to the mid year review are detailed in the report to the Policy & Resources Committee on 29 November 2012 (Appendix 1).

Equalities Implications:

- 5.3 None directly relating to this report. Implications in relation to the mid year review are detailed in the report to the Policy & Resources Committee on 29 November 2012 (Appendix 1).

Sustainability Implications:

- 5.4 None directly relating to this report. Implications in relation to the mid year review are detailed in the report to the Policy & Resources Committee on 29 November 2012 (Appendix 1).

Crime & Disorder Implications:

- 5.5 None directly relating to this report. Implications in relation to the mid year review are detailed in the report to the Policy & Resources Committee on 29 November 2012 (Appendix 1).

Risk and Opportunity Management Implications:

- 5.6 The delegated audit functions of the committee are to carry out independent scrutiny and examination of the Council's financial and non-financial processes, procedures and practices to the extent that they affect the Council's control environment and exposure to risk, with a view to providing assurance on their adequacy and effectiveness. This includes reviewing financial management processes of which Treasury Management is an important component. Other risk and opportunity implications are detailed in the report to the Policy & Resources Committee on 29 November 2012 (Appendix 1).

Public Health Implications:

- 5.7 None directly relating to this report. Implications in relation to the mid year review are detailed in the report to the Policy & Resources Committee on 29 November 2012 (Appendix 1).

Corporate / Citywide Implications:

- 5.8 None directly relating to this report. Implications in relation to the mid year review are detailed in the report to the Policy & Resources Committee on 29 November 2012 (Appendix 1).

6. EVALUATION OF ANY ALTERNATIVE OPTION(S):

- 6.1 None directly relating to this report. Alternative options relating to the mid year review are detailed in the report to the Policy & Resources Committee on 29 November 2012 (Appendix 1).

7. REASONS FOR REPORT RECOMMENDATIONS

- 7.1 The committee's role includes scrutiny and review of the council's financial governance and controls to assure their adequacy and effectiveness. This includes reviewing financial management processes of which Treasury Management is an important component.

SUPPORTING DOCUMENTATION

Appendices:

1. Market Overview – April to September 2012
2. A summary of the action taken in the period April to September 2012
3. Performance and balances

Documents In Members' Rooms

None

Background Documents

1. Part I of the Local Government Act 2003 and associated regulations
2. The Treasury Management Policy Statement and associated schedules 2012/13 approved by Cabinet on 15 March 2012
3. The Annual Investment Strategy 2012/13 approved by full Council on 22 March 2012
4. Treasury Management Policy Statement 2011/12 (including Annual Investment Strategy 2011/12) – End of year Review approved by Policy & Resources Committee on 12 July 2012 and Council on 19 July 2012
5. Papers held within Strategic Finance, Finance
6. The Prudential Code for Capital Finance in Local Authorities published by CIPFA 2011
 - i. Capital Budget Changes (New Schemes)
 - ii. Value for Money Programme Performance
 - iii. Carbon Budgets Update.

