



<u>Committee and Date</u>	<u>Item</u>
Audit Committee	6
22 March 2012	
10.00 am	
	<u>Public</u>

TREASURY MANAGEMENT SELF ASSESSMENT

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1. Summary

- 1.1. The Audit Committee is responsible for ensuring effective scrutiny of the Council's treasury management strategy and policies. In order to undertake this role effectively the Committee receive regular treasury management reports and receive training on treasury management at least annually or more often if required.
- 1.2. In addition to the regular reports and training, CIPFA have designed a treasury management self-assessment in order to identify any areas where support or training is needed to ensure the development of effective scrutiny. This self-assessment was reviewed at the last Audit Committee and is now submitted for approval.

2. Recommendations

- 2.1. Members are asked to approve, with any comments, the treasury management self-assessment.

REPORT

3. Risk Assessment and Opportunities Appraisal

- 3.1. The recommendations contained in this report are compatible with the provisions of the Human Rights Act 1998.
- 3.2. There are no direct environmental, equalities or climate change consequences arising from this report.
- 3.3. Compliance with the CIPFA Code of Practice on Treasury Management, the Council's Treasury Policy Statement and Treasury Management Practices and the Prudential Code for Capital Finance together with the rigorous internal controls will enable the Council to manage the risk associated with Treasury Management activities and the potential for financial loss.

4. Financial Implications

4.1. There are no direct financial implications arising from this report.

5. Background

5.1. The Council defines its treasury management activities as “the management of the authority’s investments and cash flows, its banking, money market and capital market transactions, the effective control of the risks associated with those activities, and the pursuit of optimum performance consistent with those risks”.

6. Scrutiny of Treasury Management

6.1. The CIPFA Treasury Management Code of Practice requires public service organisations to nominate a body responsible for the scrutiny of treasury management strategy and policies. The Council has nominated the Audit Committee to undertake this role. In order to undertake this role effectively support, training and guidance are required.

6.2. Effective scrutiny is important, as well as demonstrating compliance with the Code scrutiny is an important part of ensuring effective governance of treasury management. It helps develop a better understanding of the treasury risks faced by the organisation and to ensure better decision making on strategy and policy matters. It also improves knowledge and understanding of treasury matters.

6.3. In order to support the development of effective scrutiny CIPFA designed a treasury management self-assessment for members responsible for the scrutiny of treasury management. This self-assessment was completed and reviewed by members at the last Audit Committee and is attached at **Appendix A**.

6.4. The Audit Committee are asked to approve, with any comments, the treasury management self-assessment at **Appendix A**.

List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)

Council, 23 February 2012, Treasury Strategy 2012/13.

Cabinet Member:

Keith Barrow, Leader of the Council

Local Member

N/A

Appendices

A. Treasury Management Self-Assessment