

# TONBRIDGE & MALLING BOROUGH COUNCIL

## AUDIT COMMITTEE

21 June 2010

### Report of the Director of Finance

#### Part 1- Public

#### Matters for Recommendation to Cabinet

#### 1 TREASURY MANAGEMENT PRACTICES

**Members are invited to receive and comment upon the latest version of the Council's Treasury Management Practices, which are created and maintained in accordance with the CIPFA Code of Practice for Treasury Management in the Public Services.**

#### 1.1 Introduction

- 1.1.1 The 2009 Revised Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice for Treasury Management in the Public Services required the Council to nominate a body responsible for ensuring effective scrutiny of the treasury management policy and strategy. The Audit Committee was nominated to fulfil this role which compliments the Committee's governance responsibilities. The scrutiny role includes reviewing the treasury management practices and procedures.
- 1.1.2 The CIPFA Code of Practice for Treasury Management recommends that suitable Treasury Management Practices (TMPs) are created as the cornerstones for effective treasury management. These TMPs are required to set out the manner in which the Council will seek to achieve its policies and objectives and to prescribe how those activities will be managed and controlled.
- 1.1.3 Accordingly, the latest version of those Treasury Management Practices, Schedules and List of Available Evidence are included at **[Annexes 1 to 3]** to this report for consideration.
- 1.1.4 The Finance and Property Advisory Board at its last meeting asked to be afforded the opportunity of considering the TMP's. Members of this Committee might like to know that it is my intention to provide them with an opportunity to do so when they next meet on 21 July 2010. Any changes recommended by this Committee will be incorporated at that time.

**1.2 Legal Implications**

1.2.1 None.

**1.3 Financial and Value for Money Considerations**

1.3.1 Pro-active cash flow management ensures that the Council achieves the best return on its investments.

**1.4 Risk Assessment**

1.4.1 The management of risk is the Council's top priority in its treasury management activities and security and liquidity will always be considered before the return available on any investment.

**1.5 Recommendation**

1.5.1 Members are invited to receive, scrutinise and recommend to Cabinet adoption of the Council's Treasury Management Practices.

Background papers:

contact: John Pickup

Nil

Sharon Shelton  
Director of Finance