

**THE TREASURY MANAGEMENT POLICY STATEMENT & CLAUSES**  
**TO BE FORMALLY ADOPTED**

**Clauses to be formally adopted**

1. This organisation will create and maintain, as the cornerstones for effective treasury management:
  - a Treasury Management Policy Statement, stating the policies, objectives and approach to risk management of its Treasury Management activities;
  - suitable Treasury Management practices (TMPs), 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 content of the Policy Statement and TMPs will follow the recommendations contained in Sections 6 and 7 of the Code, subject only to amendment where necessary to reflect the particular circumstances of this organisation. Such amendments will not result in the organisation materially deviating from the Code's key principles.

2. This organisation (i.e. Full Council) will receive reports on its Treasury Management policies, practices and activities, including, as a minimum, an annual strategy and plan in advance of the year, a mid-year review and an annual report after its close, in the form prescribed in its TMPs.
3. This organisation delegates responsibility for the implementation and regular monitoring of its treasury management policies and practices to Cabinet, and for the execution and administration of treasury management decisions to the Director of Support services & Deputy Chief Executive (S151 Officer), who will act in accordance with the organisation's policy statement and TMPs.
4. This organisation nominates Audit, Governance and Standards Committee to be responsible for ensuring effective scrutiny of the Treasury Management Strategy and policies.

**The Treasury Management Policy Statement**

This organisation defines its Treasury Management activities as:

1. The management of the organisation'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.
2. This organisation regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the organisation, and any financial instruments entered into to manage these risks.
3. This organisation acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving value for money in treasury management, and to employing suitable comprehensive performance measurement techniques, within the context of effective risk management.

**TREASURY MANAGEMENT SCHEME OF DELEGATION**

**APPENDIX: Treasury management scheme of delegation**

**(i) Full Council**

- receiving and reviewing reports on treasury management policies, practices and activities
- approval of annual strategy and annual outturn

**(ii) Cabinet**

- approval of/amendments to the Council's adopted clauses, treasury management policy statement and treasury management practices (recommendations to Council)
- budget consideration and approval (recommendations to Council)
- approval of the division of responsibilities
- receiving and reviewing regular monitoring reports and acting on recommendations
- receiving annual treasury management strategy, annual outturn, quarterly reports and also adhoc reports on treasury management policies, practices and activities

**(iii) Audit, Governance and Standards Committee**

- reviewing and scrutinizing the treasury management policy and procedures and making recommendations to Cabinet.
- receiving and scrutinising annual treasury management strategy, annual outturn, quarterly reports and also adhoc reports on treasury management policies, practices and activities

**(iv) Executive Directors & Deputy Chief Executive (Section 151 Officer)**

- Reviewing the treasury management policy and procedures and making recommendations to the responsible body.
- all operational decisions are delegated by the Council to the Director of Resources who operates within the framework set out in this strategy and through the Treasury Management Policies and Practices
- Approving the selection of external service providers and agreeing terms of contract in accordance with the delegations in financial regulations

**THE TREASURY MANAGEMENT ROLE OF THE SECTION 151 OFFICER**

**The S151 Officer**

- recommending clauses, treasury management policy/practices for approval, reviewing the same regularly, and monitoring compliance
- submitting regular treasury management policy reports
- submitting budgets and budget variations
- receiving and reviewing management information reports
- reviewing the performance of the treasury management function
- ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function
- ensuring the adequacy of internal audit, and liaising with external audit
- recommending the appointment of external service providers