



COUNCIL

27TH FEBRUARY 2014

AGENDA ITEM (10)

TREASURY MANAGEMENT - HALF-YEAR REPORT 2013/14 INCLUDING PRUDENTIAL INDICATORS

Accountable Members	Audit and Scrutiny Committee
Accountable Officer	Jenny Poole Head of Finance, Audit and GO Shared Services 01285 623313 jenny.poole@cotswold.gov.uk
Purpose of Report	To consider Treasury Management activity and Prudential Indicator performance.
Recommendation(s)	That that the report on Treasury Management activity and Prudential Indicator performance be noted.
Reason(s) for Recommendation(s)	The revised CIPFA Treasury Management Code of Practice, adopted by Council on 25 th February 2010, requires the submission to Council of an annual report on the treasury management activities and results for the previous financial year. It is also a requirement of the code to report during the year on activities undertaken and on variations from agreed policies/practices.
Ward(s) Affected	N/A
Key Decision	No
Financial Implications	None
Legal and Human Rights Implications	None
Environmental and Sustainability Implications	None
Human Resource Implications	None

Key Risks	<p>There are risks of financial institutions failing given the current economic conditions. However, the risks are mitigated through application of the Council's Treasury Management Strategy.</p> <p>There is a risk of interest rates remaining low over the medium term which impact upon the Council's ability to generate investment income. Such risks are routinely considered in the Council's Treasury Management Strategy, the Medium Term Financial Plan and the associated Budget Strategy.</p>
Equalities Impact Assessment	Not Required

Related Decisions	<p>Approval of Treasury Management Strategy Statement and Investment Strategy 2013/14 to 2015/16 by the Council on 26th February 2013.</p> <p>Adoption of CIPFA Treasury Management Code of Practice by Council on 19th February 2004, revised Code adopted by the Council on 25th February 2010</p>
Background Documents	None
Appendices	Appendix 'A' - Treasury Management 2013-14 Half-Year Report including Prudential Indicators

Performance Management Follow Up	Investment performance is monitored on a quarterly basis and any variance over £10,000 is reported to the Audit and Scrutiny Committee and to the Cabinet within the quarterly performance report. The annual strategy, half-year performance report and annual report are considered by the Audit and Scrutiny Committee and approved by Council.
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Options for Joint Working	The contract for the Council's Treasury Management Advisers was jointly procured.
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Background Information	
1.	The CIPFA Treasury Management Code of Practice requires the submission to Council of a half-year report on the treasury management activities and results. The report is attached at Appendix 'A' .
2.	The Council's investment income for the half-year 2013/14 was in line with the profiled budget. It is anticipated that investment income at the end of the financial year will be £183,400 compared to the full-year budget of £170,750.
3.	Further detail is contained within the attached report.

(END)