

Cabinet

10 September 2013

Report of the Performance and Audit Scrutiny Committee: Annual Treasury Management Report 2012/2013 and Investment Activity 1 April to 30 June 2013; and Review of the Council's Treasury Management Strategy (Sep13/11)

- (1) The Treasury Management Sub-Committee met on 22 July 2013 and considered the above report. The Annual Treasury Management Investment Report summarised the investment activities for the year 2012/2013 and the investment activity for the first three months of the 2013/2014 financial year. It also provided proposals for a forthcoming review of the Council's Treasury Management Strategy including the appointment of an independent Treasury Management consultant to assist with the review process.
- (2) The report showed the total amount invested at 1 April 2012 as £32.0 million and at 31 March 2013 £32.9 million, due primarily to the net effect of the Council's capital expenditure and asset disposals programmes. Budgeted income from investments in 2012/2013 was £0.569 million. Interest earned during the year totalled £0.661 million, an overachievement of £0.092 million against budget. The average rate of interest achieved for the year was 1.65% against a target rate of 1.50%.
- (3) The 2013/2014 Annual Treasury Management and Investment Strategy showed the budget for investment income in 2013/2014 as £0.619 million, based on a continuation of the previous year's 1.5% target rate of return on investments.
- (4) The Sub-Committee had scrutinised the content of the report, asking questions of officers as necessary. No issues or recommendations needed to be brought to the attention of the Performance and Audit Scrutiny Committee on this occasion.
- (5) The Performance and Audit Scrutiny Committee questioned the use of the Council's overdraft facility to which a response was provided by officers.

- (6) The Committee **RECOMMENDS: that the Annual Treasury Management Report 2012/2013, attached as Appendix 1 to Report E61, be approved through Cabinet and full Council.**

Contacts:

Christopher Spicer, Vice-Chairman of Performance and Audit Scrutiny Committee (01359-230800)

Rachael Mann, Head of Resources and Performance (01638-719245)

Christine Brain, Scrutiny Officer (01638-719729)

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