

EAST HERTS COUNCIL

PERFORMANCE, AUDIT, GOVERNANCE AND OVERSIGHT  
COMMITTEE – 29 OCTOBER 2019

REPORT BY EXECUTIVE MEMBER FOR FINANCIAL SUSTAINABILITY

TREASURY MANAGEMENT OUTTURN 2018 19

WARD(S) AFFECTED:            NONE

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**Purpose/Summary of Report**

- The report reviews the Council’s treasury management activities for 2018/19, including the prudential indicators and identifies the associated impact on the 2019/20 treasury management strategy.

**RECOMMENDATION FOR PERFORMANCE, AUDIT AND  
GOVERNANCE OVERSIGHT COMMITTEE: That**

<b>(A)</b>	<b>The Executive be advised that the 2018/19 Treasury Management Activity and Prudential Indicators be approved.</b>
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1.0 Background

1.1 Treasury management is defined as: ‘The management of the Council’s investments and cash flows, its banking arrangements, money market and capital transactions; the effective control of the risks associated with these activities; and the pursuit of optimum returns consistent with the Council’s risk management policy for treasury management.’

1.2 This activity is supported by the council’s appointed independent advisors – Link Asset Services.

- 1.3 The Council is required by regulations under the Local Government Act 2003 to produce an annual treasury management review of activities and the actual prudential and treasury indicators for 2018/19.
- 1.4 This report meets the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).
- 1.5 The Council is required by the CIPFA Prudential Code to approve an annual review following the end of the year describing the activity compared to the strategy.
- 2.0 Report
- 2.1 Please refer to the Annual Treasury Management Review, **Essential Reference Paper 'B'**: Annual Treasury Management Review 2018-19 and Prudential Indicators 2018-19.
- 3.0 Implications/Consultations
- 3.1 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper 'A'**.

#### Background Papers

CIPFA Code of Practice on Treasury Management (2017)

CIPFA Prudential Code for Capital Finance in Local Authorities (2017)

Contact Member: Councillor Geoffrey Williamson, Executive Member for Financial Sustainability.  
[geoffrey.williamson@eastherts.gov.uk](mailto:geoffrey.williamson@eastherts.gov.uk)

Contact Officer: Isabel Brittain, Head of Strategic Finance and Property, Tel: 01279 502050.  
[isabel.brittain@eastherts.gov.uk](mailto:isabel.brittain@eastherts.gov.uk)

Report Author: Nicola Munro, Finance Business Partner,  
Tel: 01279 502044.  
[nicola.munro@eastherts.gov.uk](mailto:nicola.munro@eastherts.gov.uk)