



**Meeting:** Council

**Date:** Wednesday 19 September 2012

**Subject:** Finance matters – treasury management outturn 2011/12

**Report of:** Councillor Gill Mattock on behalf of the Cabinet

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The Council is asked to consider the minute and resolution of the Cabinet meeting held on 5 September 2012 as set out below.

Further copies of the report to Cabinet are available on request – please see end of this report. A copy may be seen on the Council’s website at:  
<http://www.eastbourne.gov.uk/council/meetings/cabinet/>

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**The Council is recommended to:-**

**Agree the annual treasury management report for 2011/12 and, specifically, approve the 2011/12 prudential and treasury indicators included.**

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**\*35 Finance matters – treasury management outturn 2011/12**  
(Cabinet, 8 February 2012, page 265, minute no. 94, 2011/12 minutes).

- 35.1 Cabinet considered the report of the Chief Finance Officer. This report covered the treasury management activity and performance for the financial year 2011/2012. The Council’s treasury management activities were regulated by a variety of professional codes, statutes and guidance.
- 35.2 Recent changes in the regulatory environment had placed a much greater onus on members for the review and scrutiny of treasury management policy and activities. This report was important in that respect, as it provided details of the outturn position for treasury activities and highlighted compliance with the Council’s policies previously approved by members. It was also confirmed that the Council had complied with the requirement under the code to give prior scrutiny to all of the above treasury management reports by the Audit Committee before they were reported to full Council. Member training on treasury management issues had last been undertaken in 2010 in order to support members’ scrutiny role.
- 35.3 The report summarised:
- Capital activity during the year.
  - Impact of this activity on the Council’s underlying indebtedness

- (the capital financing requirement).
- Reporting of the required prudential and treasury indicators.
- Overall treasury position identifying how the Council had borrowed in relation to this indebtedness, and the impact on investment balances.
- Summary of interest rate movements in the year.
- Detailed debt activity.
- Detailed investment activity.

35.4 The Chief Finance Officer also confirmed that borrowing was only undertaken for a capital purpose and the statutory borrowing limit (the authorised limit), had not been not breached. He commented that the financial year 2011/12 continued the challenging environment of previous years; low investment returns and continued counterparty risk.

35.5 Councillor Mattock commented that this report indicated that the management of the Council's finances was on a sound footing which was especially important given the economic climate and the challenges the Council currently faced. She expressed her thanks to the Chief Finance Officer and his team for their hard work.

\*35.6 **Resolved (budget and policy framework):** That full Council be recommended to agree the annual treasury management report for 2011/12 and, specifically, approve the 2011/12 prudential and treasury indicators included.

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For a copy of the report please contact Local Democracy at 1 Grove Road, Eastbourne, BN21 4TW. Tel. (01323) 415022 or 415021.  
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