



St Ives Town Council

Twinned with Stadtallendorf

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TREASURY MANAGEMENT POLICY STATEMENT

1. Definition

1.1 The Council defines its treasury management activities as:

- the management of the Council's investments, cash flows, banking, money market and capital market transactions.
- the effective control of the risks associated with the management of investments and the pursuit of optimum performance consistent with those risks.

2. Risk management

2.1 The Council 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. The analysis and reporting of treasury management activities will focus on their risk implications for the Strategic Plan.

3. Value for money

3.1 The Council acknowledges that effective treasury management will provide support towards the achievement of its service and strategic objectives. This includes the use of investment vehicles to make a return in order to finance the Strategic Plan.

4. Borrowing policy

4.1 The Council needs to balance a number of elements in its borrowing policy for funding capital expenditure linked to the Strategic Plan:

- Utilising a mixture of borrowing periods to reduce the overall impact of changes in interest rates.
- Minimising the long term cost of any borrowing.
- Ensuring that short term costs are as low as possible.
- Using the Council's own reserves on a temporary basis

4.2 The Council will be mindful of the rules relating to borrowing of money set down by the Public Loan Board when considering taking loans, and will have regard to the Governance and Accountability for Smaller Authorities in England regulations when setting that limit.

5. Investment policy

5.1 All investment decisions, need to follow a risk assessment which takes account of the need to protect the principal sums invested from loss, ensuring adequate liquidity so that funds are available to fund expenditure when needed, and the generation of investment income to support the provision of local services.

Responsible Officer	Town Clerk	Date effective	Feb 2008	Review date	March 2017
Author	Town Clerk	Date amended	May 2016		