

CIPFA Treasury Management Code of Practice 2017

Introduction

The CIPFA Code of Practice on Treasury Management in Local Authorities was updated in 2017. The Code requires that a report, be submitted to the Council, setting out clauses which should be formally passed in order to approve adoption of the new version of the Code of Practice and Cross-Sectoral Guidance Notes.

The Code also includes an amended version of the treasury management policy statement (TMPS) incorporating just three clauses and a revised definition of treasury management activities.

Resolutions

CIPFA recommends that all public service organisations adopt, as part of their standing orders, financial regulations, or other formal policy documents appropriate to their circumstances, the following four clauses.

- 1 This authority will create and maintain, as the cornerstones for effective treasury management:
 - a treasury management policy statement, stating the policies, objectives and approach to risk management of its treasury management activities
 - suitable treasury management practices (TMPs), setting out the manner in which the organisation will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities.

The content of the policy statement and TMPs will follow the recommendations contained in Sections 6 and 7 of the Code, subject only to amendment where necessary to reflect the particular circumstances of this organisation. Such amendments will not result in the organisation materially deviating from the Code's key principles.

- 2 Council will receive reports on its treasury management policies, practices and activities, including, as a minimum, an annual strategy and plan in

advance of the year, a mid-year review and an annual report after its close, in the form prescribed in its TMPs.

- 3 This authority delegates responsibility for the implementation and regular monitoring of its treasury management policies and practices (including the execution and administration of treasury management decisions) to the Director of Finance, who will act in accordance with the organisation's policy statement, TMPs and CIPFA's Standard of Professional Practice on Treasury Management.
- 4 This authority nominates the Audit & Risk Management Panel to be responsible for ensuring effective scrutiny of the treasury management strategy and policies.