

Report Number: WSC 86/18

West Somerset Council

Audit Committee – 3rd December 2018

Treasury Management Update – 30th September 2018

This matter is the responsibility of Cabinet Member Martin Dewdney

Report Author: (Steve Plenty, Senior Corporate Accountant)

1 Purpose of the Report

- 1.1 To provide Members with an update on the Treasury Management activity of the Council for the first six months of 2018/19. It focuses on a review of the Council's borrowing and investment activities.

2 Recommendations

- 2.1 To note the Treasury Management position as at 30th September 2018 (Appendix A attached to this report).

3 Risk Assessment (if appropriate)

Risk Matrix

Description	Likelihood	Impact	Overall
The Council fails to maintain an adequate system of internal control.	2	3	6
<i>The Council has an approved Treasury Management Strategy Statement and effective management practices to ensure compliance</i>	1	2	2

Risk Scoring Matrix

Likelihood	5	Almost Certain	Low (5)	Medium (10)	High (15)	Very High (20)	Very High (25)
	4	Likely	Low (4)	Medium (8)	Medium (12)	High (16)	Very High (20)
	3	Possible	Low (3)	Low (6)	Medium (9)	Medium (12)	High (15)
	2	Unlikely	Low (2)	Low (4)	Low (6)	Medium (8)	Medium (10)
	1	Rare	Low (1)	Low (2)	Low (3)	Low (4)	Low (5)
			1	2	3	4	5
			Negligible	Minor	Moderate	Major	Catastrophic
			Impact				

Likelihood of risk occurring	Indicator	Description (chance of occurrence)
1. Very Unlikely	May occur in exceptional circumstances	< 10%
2. Slight	Is unlikely to, but could occur at some time	10 – 25%
3. Feasible	Fairly likely to occur at same time	25 – 50%
4. Likely	Likely to occur within the next 1-2 years, or occurs occasionally	50 – 75%
5. Very Likely	Regular occurrence (daily / weekly / monthly)	> 75%

4 Background and Full details of the Report

- 4.1 On 23rd February 2018 the Council approved the Treasury Management Strategy Statement, Minimum Revenue Policy and Annual Investment Strategy for 2018/19.
- 4.2 The Council is required to receive and approve, as a minimum, three main reports each year, which incorporate a variety of policies, estimates and actuals. These reports are required to be adequately scrutinised by committee before being recommended to the Council. This role is undertaken by the Audit Committee.

5 Links to Corporate Aims / Priorities

- 5.1 None in relation to this report.

6 Finance / Resource Implications

- 6.1 Investment income is predicted to be £0.036m above the budget of £0.028m for the financial year 2018/19.
- 6.2 The Council currently has no external loans and is not predicting the need to borrow externally for the remainder of the 2018/19 financial year, however finance officers will continue to monitor this closely.

7 Legal Implications

7.1 The Section 151 Officer has a legal requirement to ensure appropriate arrangements are in place to adequately control the Council's resources.

8 Environmental Impact Implications

8.1 None in respect of this report.

9 Safeguarding and/or Community Safety Implications

9.1 None in respect of this report.

10 Equality and Diversity Implications

10.1 None in respect of this report.

11 Social Value Implications

11.1 None in respect of this report.

12 Partnership Implications

12.1 None in respect of this report.

13 Health and Wellbeing Implications

13.1 None in respect of this report.

14 Asset Management Implications

14.1 None in respect of this report.

15 Consultation Implications

15.1 None in respect of this report.

Democratic Path:

- **Audit Committee – Yes**
- **Full Council – Yes**

Reporting Frequency: **Once only** **Ad-hoc** **Quarterly**
 Twice-yearly **Annually**

List of Appendices

Appendix A	Treasury Management Update – 30 th September 2018
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Contact Officers

Name	Andrew Stark
Direct Dial	01823 219490
Email	a.stark@tauntondeane.gov.uk

Name	Steve Plenty
Direct Dial	01984 600173
Email	sjplenty@westsomerst.gov.uk