

BRIGHTON & HOVE CITY COUNCIL

CABINET

4.00PM 10 NOVEMBER 2011

COUNCIL CHAMBER, HOVE TOWN HALL

MINUTES

Present: Councillors Randall (Chair), Bowden, Davey, Duncan, Jarrett, Kennedy, J Kitcat, Shanks, Wakefield and West

Also in attendance: Councillors G Theobald (Opposition Spokesperson) and Mitchell (Opposition Spokesperson)

Other Members present: Councillors Bennett, Fitch, Janio, MacCafferty, A Norman, K Norman, Robins and Wealls

PART ONE

106. TREASURY MANAGEMENT POLICY STATEMENT (INCORPORATING ANNUAL INVESTMENT STRATEGY) 2011/12 - MID YEAR REVIEW

- 116.1 The Cabinet considered a report of the Director of Finance concerning action taken during the period April to September 2011 to meet the Treasury Management Policy Statement 2011/12 (TMPS) and the Treasury Management Practices (including the schedules) for the year commencing 1 April 2011 and the Annual Investment Strategy 2010/11.
- 116.2 Councillor Mitchell congratulated the officers for the continuing positive position with regard to treasury management.
- 116.3 In response to a question from Councillor Mitchell, the Head of Strategic Finance & Procurement explained that two changes to investment limits had been made as the credit ratings of the financial institutions in question had been reduced; as a result the council had reduce both the length and amount of investment.
- 116.4 In response to questions from Councillor G Theobald, the Director of Finance advised that it was difficult to predict interest rates; the council used a range of forecasts from institutions and followed the CIPFA guidelines. She confirmed that the Targeted Budget Management reporting schedule for 2011-12 provided for five reports instead of the usual four and that the council only invested in institutions detailed in the Annual Investment Strategy and approved by full Council.

116.5 **RESOLVED** - That, having considered the information and the reasons set out in the report, the following recommendations be accepted:

- (1) That Cabinet endorses the action taken during the half-year to meet the Treasury management policy statement and associated treasury management practices and the Annual investment strategy.
- (2) That Cabinet notes the maximum indicator for risk agreed at 0.05% has not been exceeded.
- (3) That Cabinet notes the authorised limit and operational boundary set by the Council have not been exceeded.

The meeting concluded at 6.30pm

Signed

Chair

Dated this day of