

LANCASTER CITY COUNCIL

TREASURY MANAGEMENT POLICY STATEMENT

For approval by Council 03 March 2010

This has been updated to reflect the revised CIPFA Treasury Management Code of Practice (November 2009). Changes are in *italics*.

1. This organisation defines its treasury management activities as:

“The management of the authority’s investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks”.

2. This organisation 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. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the organisation.
3. This organisation acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving **value for money** in treasury management, and to employing suitable **comprehensive** performance measurement techniques, within the context of effective risk management.

Note: The current policy reads “... achieving **best value** in treasury management, and to employing suitable performance measurement ...”.