

REPORT FOR INFORMATION

SUBJECT: Treasury Management Statement 2010-11

REPORT OF: The Lead Officer

PURPOSE OF THE REPORT

At its meeting on 26 January 2010, the Joint Committee was presented with a Treasury Management Statement. It was agreed that this would be reviewed on an annual basis. The purpose of this report is to review the attached statement.

RECOMMENDATIONS

It is recommended that the Joint Committee:

1. Notes the Treasury Management Statement 2010-11.
2. Reviews this statement at its January meeting each year.

FINANCIAL CONSEQUENCES OF THE REVENUE BUDGET

There are no immediate consequences to the revenue budget.

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**PATROL ADJUDICATION JOINT COMMITTEE:
TREASURY MANAGEMENT STATEMENT
MARCH 2010**

Background

From 1st April 2009, the Joint Committee's financial accounting records have been transferred from Manchester City Council's SAP system to its own independent accounting software, and a PATROL bank account has been set up with the Co-operative Bank.

Current Position

This bank account attracts interest on credit balances at base rate, which is currently 0.50%. Conversely should the account go overdrawn, an overdraft charge of base rate + 5% will be charged. There is currently no assessed need to establish an overdraft facility on this account, however this will be kept under review. Should this facility be agreed with the bank, the overdraft charge would reduce to base rate + 2%. Interest is paid / charged on a quarterly basis and is calculated on the cash balance for the previous quarter.

Future Arrangements

The Joint Committee's cash flow will be monitored to explore the possibility of future investment gaining a higher return on cash balances. Before this can take place there needs to be an understanding of the ebb and flow of the everyday transactions to determine whether there will be any cash balances in excess of current requirements.