

By: Dr M R Eddy, Chairman of the Cabinet Scrutiny Committee
Mr P Sass, Head of Democratic Services and Localism

For: Cabinet Scrutiny Committee – 10 February 2009

Subject: Treasury Management

Classification: Unrestricted.

Summary: This report updates Members on the Committee's consideration of KCC's Treasury Management to date since the collapse of the Icelandic banks.

Background

1. On 22nd October 2008 Members of the Cabinet Scrutiny Committee considered an urgent Cabinet report, entitled Treasury Management, which updated Members on developments related to the Icelandic banks. (The minutes of that meeting are attached for information at Appendix 1)
2. A representative from Butlers was also invited to the meeting but declined to attend based on the fact that the PWC had not been completed and their attendance would be more useful at a later date.
3. Following the publication of the PWC report (which formed the previous item on today's Cabinet Scrutiny agenda) the Cabinet Scrutiny Committee invited Butlers to attend their meeting on 21 January. Butlers declined the invitation but offered to respond to written questions. A set of 21 questions was sent to Butlers and a response was received on 26 January. The questions and the response given by Butlers are attached at Appendix 2.
4. The Cabinet Scrutiny Committee decided to consider Butlers response to the set of questions at their meeting on 10 February, Butlers were invited to attend this meeting.
5. KCC Officers were given the opportunity to comment on the responses given by Butlers to the questions posed by the Cabinet Scrutiny Committee.

Possible Decisions

The Cabinet Scrutiny Committee may either:-

- a. comment to the Chief Executive and the relevant Managing Director;
- b. report to the Council;
- c. refer any issues arising from its debate for consideration by a Policy Overview Committee or the Cabinet.