

### Northampton Borough Council Treasury Management Policy Statement

1. Northampton Borough Council defines its treasury management activities as:

“The management of the organisation’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. Northampton Borough Council 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, and any financial instruments entered into to manage these risks.
3. Northampton Borough Council 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.
4. The Council’s high level policies for borrowing and investment are:
  - For borrowing, to ensure affordability and to secure value for money when making capital investment and borrowing decisions.
  - For investments, to prioritise the security and liquidity of capital sums, at the same time optimising yields within a sound risk management framework.