

# Treasury Management Policy & Strategy 2022/23

For Full Council on 23 February 2022

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## Summary

**Lead Member:** Councillor Tom Dawlings, Leader of the Council (Portfolio Holder for Finance & Governance)

**Lead Director:** Lee Colyer, Director of Finance, Policy & Development

**Head of Service:** Jane Fineman, Head of Finance, Procurement & Parking

**Report Author:** Clare Hazard, Accountancy Manager

**Classification:** Public document (non-exempt)

**Wards Affected:** All

Approval Timetable	Date
Management Board	5 January 2022
Portfolio Holder	24 January 2022
Finance & Governance Cabinet Advisory Board	25 January 2022
Cabinet	10 February 2022
Full Council	23 February 2022

## Recommendations

Officer / Committee recommendations as supported by the Portfolio Holder:

1. That the Treasury Management Policy and Strategy 2022/23, as set out in Appendix A to the report, be adopted.

# 1. Introduction and Background

- 1.1 This report presents the Treasury Management Policy and Strategy 2022/23 and recommends that Cabinet proposes that it is adopted by Full Council.
- 1.2 The Treasury Management Policy and Strategy forms part of the Council's financial management arrangements, ensuring a framework for decisions is in place to help maintain the Council's financial position, and support the Council in delivering its priorities.
- 1.3 The Prudential Indicators, Treasury Indicators and Treasury Management Targets included within this strategy help monitor the Council's position throughout the year.

# 2. Treasury Management Policy & Strategy 2022/23

- 2.1 A requirement under the Chartered Institute for Public Finance and Accountancy (CIPFA) Treasury Management Code is to prepare a Treasury Management Policy and Strategy setting out the Council's policies for managing investments and borrowing.
- 2.2 Under CIPFA's Prudential Code 2017 the Council should set out Prudential Indicators for the next three years to ensure that the Council's capital investment plans are affordable, prudent and sustainable.
- 2.3 The suggested Treasury Management Policy and Strategy 2022/23 is presented in **Appendix A** to this report.
- 2.4 As well as this annual strategy, the CIPFA Treasury Management Code requires the Council reports as a minimum, a mid-year report and an annual treasury report.
- 2.5 This Council meets this requirement by presenting a treasury management monitoring report to Cabinet quarterly with the fourth quarter taking the form of an annual report for the year.

# 3. Options Considered

- 3.1 The Council must prepare a Treasury Management Policy and Strategy for approval by Cabinet and Full Council.

## **4. Preferred Option and Reason**

- 4.1 To agree and approve the content of the Treasury Management Policy and Strategy 2022/23.

## **5. Consultation on Options**

- 5.1 The Council takes advice from Link Asset Services on treasury management activities including investments, borrowing and capital financing.

### **Recommendation from Cabinet Advisory Board**

- 5.2 The Finance & Governance Cabinet Advisory Board were consulted on 25 January 2022 and agreed to support the recommendations to Cabinet.
- 5.3 The Finance and Governance Cabinet Advisory Board were also informed that the Chartered Institute of Public Finance and Accountability published new Prudential and Treasury Management Codes very late in December 2021, although they are still to publish detailed guidelines. The new code comes into effect on the 1 April 2023 so will be reflected in the Treasury Management Policy and Strategy for 2023/24.

## **6. Implementation**

- 6.1 Once the adoption of the Treasury Management Policy and Strategy has been approved by Full Council it will be put into place commencing 1 April 2022.

## **7. Appendices and Background Documents**

Appendices:

- Appendix A: Treasury Management Policy & Strategy 2022/23

Background Papers:

- None

## **8. Cross Cutting Issues**

### **A. Legal (including the Human Rights Act)**

Under Section 151 of the Local Government Act 1972 (LGA 1972) the Section 151 Officer has statutory duties in relation to the financial administration and stewardship of the authority, including securing effective arrangements for treasury management.

Claudette Valmond, Interim Head of Legal Partnership

### **B. Finance and Other Resources**

The net investment interest is an important source of income for the Council's revenue budget.

Jane Fineman, Head of Finance, Procurement & Parking

### **C. Staffing**

No implications to staffing.

Jane Fineman, Head of Finance, Procurement & Parking

### **D. Risk Management**

The Treasury Management Policy and Strategy sets out how the Council aims to control the risks associated with treasury management. The security of the Council's investments is the top priority when making investments and is always considered before yield. ensure that the unaudited outturn net revenue remains within the Council's Medium Term Financial Strategy.

Jane Fineman, Head of Finance, Procurement & Parking

### **E. Environment and Sustainability**

There are no specific implications that arise from the process of Treasury Management over the fact that the budget supports the Council's priorities.

Jane Fineman, Head of Finance, Procurement & Parking

## **F. Community Safety**

There are no specific implications that arise from the process of Treasury Management over the fact that the budget supports the Council's priorities.

Jane Fineman, Head of Finance, Procurement & Parking

## **G. Equalities**

There are no specific implications that arise from the process of Treasury Management over the fact that the budget supports the Council's priorities.

Jane Fineman, Head of Finance, Procurement & Parking

## **H. Data Protection**

There are no specific implications that arise from the process of Treasury Management over the fact that the budget supports the Council's priorities.

Jane Fineman, Head of Finance, Procurement & Parking

## **I. Health and Safety**

There are no specific implications that arise from the process of Treasury Management over the fact that the budget supports the Council's priorities.

Jane Fineman, Head of Finance, Procurement & Parking

## **J. Health and Wellbeing**

There are no specific implications that arise from the process of Treasury Management over the fact that the budget supports the Council's priorities.

Jane Fineman, Head of Finance, Procurement & Parking