

Is the final decision on the recommendations in this report to be made at this meeting?

No***Treasury Management Policy and Strategy
2020/21**

Final Decision-Maker	Full Council
Portfolio Holder(s)	Councillor Tom Dawlings – Portfolio Holder for Finance and Governance
Lead Director	Lee Colyer – Director of Finance, Policy & Development
Head of Service	Jane Fineman – Head of Finance and Procurement
Lead Officer/Report Author	Clare Hazard – Accountancy Manager
Classification	Non-exempt
Wards affected	All

This report makes the following recommendations to the final decision-maker:

1. That the Treasury Management Policy and Strategy 2020/21, as set out in Appendix A to the report, be adopted.

This report relates to the following Five Year Plan Key Objectives:

- A Prosperous Borough
- A Green Borough
- A Confident Borough

This report supports all of the key objectives. The security of the Council's cash and effective cash flow management is vital in order to support all the services provided by the Council. The interest received from the Council's investments is an important source of income in helping the Council set a balanced budget.

Timetable

<i>Meeting</i>	<i>Date</i>
Management Board	18 December 2019
Discussion with Portfolio Holder	7 January 2020
Cabinet Advisory Board	14 January 2020
Cabinet	6 February 2020
Council	26 February 2020

Treasury Management Policy and Strategy 2020/21

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 This report presents the Treasury Management Policy and Strategy 2020/21 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.
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2. INTRODUCTION AND BACKGROUND

- 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 2020/21 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.
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3. AVAILABLE OPTIONS

- 3.1 The Council must prepare a Treasury Management Policy and Strategy for approval by Cabinet and Full Council.
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4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

4.1 To agree the content of the Treasury Management Policy and Strategy.

5. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

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

6. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

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 2020.

7. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off (name of officer and date)
Legal including 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.	Patricia Narebor, Head of Legal Partnership
Finance and other resources	The net investment interest is an important source of income for the Council's revenue budget.	Lee Colyer, Director of Finance, Policy & Development
Staffing establishment	No implications	
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.	Lee Colyer, Director of Finance, Policy & Development
Environment and sustainability	No implications	
Community safety	No implications	
Health and Safety	No implications	
Health and wellbeing	No implications	
Equalities	No implications	

8. REPORT APPENDICES

The following documents are to be published with this report and form part of the report:

- Appendix A: Treasury Management Policy and Strategy 2020/21
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9. BACKGROUND PAPERS

None