
Budget Council

25 February 2010

Report of The Executive Leader

Recommendations of the Executive on the Council's Treasury Management Strategy Statement and Prudential Indicators for 2010/11 – 2014/15

Purpose of Report

1. This report presents to Council for approval the recommendations of the Executive in respect of the integrated Treasury Management Strategy Statement for the period 2010/11 to 2014/15. This report must be read in conjunction with the report of the Director of Resources presented to the Executive meeting on 16 February 2010, which has been circulated to all Members.

Background

2. On 16 February 2010, the Executive met to consider the Revenue and Capital Budget recommendations contained in reports tabled by the Director of Resources. The following reports were considered:
 - a) Financial Strategy 2010-2016 including detailed revenue budget proposals for 2010/11
 - b) Capital Programme Budget – 2010/11 to 2014/15
 - c) Treasury Management Strategy Statement and Prudential Indicators for 2010/11 to 2014/15.

Members have previously received copies of these reports and may also refer to them by following the link on the Budget Council agenda. A decision list from the Executive meeting, incorporating their recommendations to Council on the above reports, was published on 17 February 2010.

3. This report relates to the third of these matters, the Executive's recommendations in respect of the Treasury Management Strategy Statement and Prudential Indicators for 2010/11 to 2014/15. The recommendations in this regard are set out in paragraph 10 below.
4. The Executive recommendations in respect of the Revenue Budget proposals and those regarding the Capital Programme Budget are set out in a previous report.

Consultation

5. Please refer to paragraphs 10 to 12 of the report of the Director of Resources.

Options

6. Options open to Council are to approve the Executive's recommendations, or alternatively, to approve any amendments that may be moved by other Members of Council.

Corporate Priorities

7. The Council must set a balanced budget every year in order to manage its business and deliver its services effectively.

Implications

8. There are no known implications in relation to the following in terms of referring the Executive's recommendations to Council. Implications in respect of setting the budget, including the revenue implications of the treasury strategy, are contained in the reports to Executive, which have been published and made available to all Members:

- **Human Resources (HR)**
- **Equalities**
- **Legal**
- **Crime and Disorder**
- **Property**
- **Other**

Risk Management

9. The risk management issues relating to the treasury management function are contained in the report of the Director of Resources to the Executive, which has been published and made available to all Members.

Recommendations

10. The Executive recommends:

- (i) That Council approve:
 - a) the proposed Treasury Management Strategy for 2009/10;
 - b) the Prudential Indicators for 2009/10 to 2013/14 (Annex C to the Director of Resources' report);
 - c) the revised CIPFA Treasury Management Code of Practice 2009 (*the Code*) and revised Treasury Management Policy Statement (Annexes A and B);

- d) the Specified and Non-specified Investments Schedule (Annex F);
- e) The Scheme of Delegation and the Role of the Section 151 Officer (Annex G).

(ii) That the Financial Regulations be amended to give delegated authority to the Director of Resources to have full discretion to choose the length of the repayment period for all prudential borrowing, as set out in paragraph 35 of the report.

(iii) That the Treasury Management reporting arrangements set out in paragraph 16, table 1, as described by the Code, and the terms of reference in the Constitution, be amended to include the requirement that the Audit & Governance Committee scrutinise the Treasury Management Strategy and Monitoring reports.

REASON: To enable the continued effective operation of the Treasury Management function and ensure that all Council borrowing is prudent, affordable and sustainable.

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Report Approved



Date 17/2/10

Specialist Implications Officer(s) None

Wards Affected:

All

For further information please contact the author of the report

Annexes

None

Background Papers

Reports to the Executive meeting held on 16 February 2009 as follows:–

- i) Report of Director of Resources re Financial Strategy and Detailed Revenue Budget Proposals 2009/10.

- ii) Report of Director of Resources re Capital Programme Budget 2009/10 to 2013/14
- iii) Report of Director of Resources re Treasury Management Strategy.

Web link to the above reports:

<http://democracy.york.gov.uk/ieListDocuments.asp?CId=102&MId=3585&Ver=4>