

Report of the Director of Customer and Business Support Services

**Scrutiny of the Treasury Management Strategy Statement and Prudential Indicators for 2014/15 to 2018/19**

**Summary and Background**

1. The Audit & Governance Committee are responsible for ensuring the effective scrutiny of the treasury management strategy and policies.
2. The Treasury Management Strategy Statement and Prudential Indicators 2014/15 to 2018/19 are attached at Appendix A and cover the:
  - Integrated treasury management strategy statement including the annual investment strategy and the minimum revenue provision policy statement;
  - Prudential indicators for 2014/15 to 2018/19
  - Revised treasury management policy statement
  - Specified and non-specified investments schedule
  - Treasury management scheme of delegation and role of the section 151 officer

**Consultation**

3. Treasury Management strategy and activity is influenced by the capital investment and revenue spending decisions made by the Council. Both the revenue and capital budgets have been through a process of consultation, details of which are outlined in the budget reports considered by Cabinet on 12<sup>th</sup> February 2014.

**Options**

4. It is a statutory requirement for the Council to operate in accordance with the CIPFA Prudential Code.

## **Council Plan**

5. The Treasury Management Strategy Statement and Prudential Indicators are aimed at ensuring the Council maximises its return on investments and minimises the cost of its debts whilst operating in a financial environment that safeguards the Council's funds. This will allow more resources to be freed up to invest in the Council's priorities, values and imperatives, as set out in the Council's Plan.

## **Implications**

### **Financial**

6. The revenue implications of the treasury strategy are set out in the Revenue Budget report considered by Cabinet on 12th February 2014.

### **Human Resources (HR)**

7. There are no HR implications as a result of this report

### **Equalities**

8. There are no equalities implications as a result of this report

### **Legal Implications**

9. Treasury Management activities have to conform to the Local Government Act 2003, the Local Authorities (Capital; Finance and Accounting) (England) Regulations 2003 (SI 2003/3146), which specifies that the Council is required to have regard to the CIPFA Prudential Code and the CIPFA Treasury Management Code of Practice and also the Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2008 (SI 2008/414), which clarifies the requirements of the Minimum Revenue Provision guidance.

### **Crime and Disorder**

10. There are no crime and disorder implications as a result of this report

### **Information Technology (IT)**

11. There are no information technology implications as a result of this report

## Property

12. There are no property implications as a result of this report

## Risk Management

13. The treasury management function is a high-risk area because of the volume and level of large money transactions. As a result of this the Local Government Act 2003 (as amended), supporting regulations, the CIPFA Prudential Code and the CIPFA Treasury Management in the Public Services Code of Practice (the code) are all adhered to as required.

## Recommendations

14. That Audit and Governance Committee note the Treasury Management Strategy Statement and Prudential Indicators for 2014/15 to 2018/19 at Annex A.

Reason: So that those responsible for scrutiny and governance arrangements are properly updated and able to fulfil their responsibilities in scrutinising the strategy and policy.

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	Report approved 3 <sup>rd</sup> February 2014
<b>Wards affected</b>	All

## Annex

Appendix A – Treasury Management Strategy Statement and Prudential Indicators for 2014/15 to 2018/19