

Council



Forest Heath
District Council

Title of Report:	Referral of Recommendations from Cabinet: 10 February 2016	
Report No:	COU/FH/16/003	
Report to and date:	Council	24 February 2016
Documents attached in connection with Item 3. (Mildenhall Hub Project – Update and Next Steps):	Appendix Report No CAB/FH/16/007 and Appendix 1	

(A) Referrals from Cabinet: 10 February 2016

1. Annual Treasury Management and Investment Strategy Statements 2016/2017 and Treasury Management Code of Practice

Portfolio Holder: Cllr Stephen Edwards

Report No:
[CAB/FH/16/004](#)

**(Performance and Audit Scrutiny Committee
Report No:**
[PAS/FH/16/007](#))

RECOMMENDED: That

- (1) the Annual Treasury Management and Investment Strategy Statements 2016/2017, as contained in Appendix 1 and 2 to Report No: PAS/FH/16/007, be adopted; and**
- (2) the Treasury Management Code of Practice 2016/2017, as contained in Appendix 3 and 4 to Report No: PAS/FH/16/007, be approved.**

- 1.1 In order for the Council to be able to meet its strategic priorities it is essential that sufficient and appropriate financial resources are available. Optimising returns from investments, without exposing the Council to an unacceptably high level of risk, increases those financial resources.

- 1.2 With the recent changes to the Business Rates Retention Scheme and other funding/grant arrangements the Council is experiencing increased short-term cash surpluses due to the timing differences between receiving the monies and paying them over to County and Central Government etc.
- 1.3 It is therefore suggested that the Council agree to an increase in the investment limit with suitable counterparties, as defined by the Annual Treasury Management and Investment Strategy Statements, by £500,000 per counterparty. The revised limits were detailed in paragraph 1.2.3 of Report No PAS/FH/16/007.
- 1.4 The proposed Annual Treasury Management and Investment Strategy Statements 2016-2017 was attached as [Appendix 1](#) to Report No PAS/FH/16/007.
- 1.5 The Committee was advised that no changes had been made to the Credit Rating Definitions ([Appendix 2](#)) since the 2015-2016 Strategy was presented to Cabinet on 27 February 2015.
- 1.6 The Committee was further advised that no major changes had been made to the Treasury Management Code of Practice ([Appendix 3](#)) since the 2015-2016 Code was presented to Cabinet on 27 February 2015, other than the investment limits as detailed in paragraph 1.2 of Report No PAS/FH/16/007.
- 1.7 However, a few minor changes had been made to the List of Approved Organisations for Investment during 2015-2016 ([Appendix 4](#)) due to credit rating changes and changes to the Top 10 List of Building Societies.

2. Budget and Council Tax Setting: 2016/2017 and Medium Term Financial Strategy

Portfolio Holder: *Cllr Stephen Edwards*

Report No:
[CAB/FH/16/005](#)

- 2.1 The recommendations emanating from the Cabinet's consideration of this report are contained within Report No: COU/FH/16/004, 'Budget and Council Tax Setting: 2016/2017 and Medium Term Financial Strategy', for consideration as Agenda Item 8. on this Council agenda.

3. Mildenhall Hub Project – Update and Next Steps

Portfolio Holder: Cllr James Waters

Report No:
CAB/FH/16/007 and
Appendix 1(attached)

RECOMMENDED: That

- (1) Progress on the Mildenhall Hub project and the next steps set out in Section 1.6 of Report No CAB/FH/16/007 be noted and approved; specifically that**
- (2) The updated 2015 business case be approved for use in the design stage of the project, alongside any adopted Development Brief.**
- (3) The Director, in consultation with the Leader, be authorised to negotiate, prepare and sign a partnership agreement for the project, provided it is consistent with the business case and the framework set out in this report.**
- (4) A further budget of £100,000, be funded from the Delivering the Strategic Priorities and MTFs Reserve, to meet Forest Heath's share of project management and development costs, be approved; and**
- (5) The Director be authorised to approve spending from this budget, in consultation with the Leader.**

The above recommendations reflect the deliberations of the Cabinet at its meeting on 10 February 2016.

For ease of reference, a copy of the full Cabinet report (Report No CAB/FH/16/007 and Appendix 1) is attached as an Appendix to this Council report.