

# Cabinet



*St Edmundsbury*  
BOROUGH COUNCIL

<b>Title of Report:</b>	<b>Recommendations of the Performance and Audit Scrutiny Committee: 25 January 2017 Annual Treasury Management and Investment Strategy Statements 2017/2018 and Code of Practice</b>	
<b>Report No:</b>	<b>CAB/SE/17/007</b>	
<b>Report to and dates:</b>	<b>Cabinet</b>	7 February 2017
	<b>Council</b>	21 February 2017
<b>Portfolio holder:</b>	Ian Houlter Portfolio Holder for Resources and Performance <b>Tel:</b> 01284 810074 <b>Email:</b> <a href="mailto:ian.houlter@stedsbc.gov.uk">ian.houlter@stedsbc.gov.uk</a>	
<b>Chairman of the Committee:</b>	Sarah Broughton Performance and Audit Scrutiny Committee <b>Tel:</b> 01284 787327 <b>Email:</b> <a href="mailto:sarah.broughton@stedsbc.gov.uk">sarah.broughton@stedsbc.gov.uk</a>	
<b>Lead Officer:</b>	Joanne Howlett Service Manager – Finance and Performance <b>Tel:</b> 01284 757264 <b>Email:</b> <a href="mailto:joanne.howlett@westsuffolk.gov.uk">joanne.howlett@westsuffolk.gov.uk</a>	
<b>Purpose of report:</b>	On 25 January 2017, the Performance and Audit Scrutiny Committee considered Report No: <b>TMS/SE/17/002</b> , which had been scrutinised by the Treasury Management Sub-Committee on 16 January 2017.  The report provided information on the proposed Treasury Management and Investment Strategy Statements 2017/18 (including treasury related prudential indicators) and Treasury Management Code of Practice.	

<b>Recommendation:</b>	<p>It is <b>RECOMMENDED</b> that, subject to the approval of Council:</p> <p>(1) the Annual Treasury Management and Investment Strategy Statements 2017/2018, as contained in Appendix 1 to Report No: TMS/SE/17/002, be approved; and</p> <p>(2) the Treasury Management Code of Practice 2017/2018, as contained in Appendix 2 to Report No: TMS/SE/17/002, be approved.</p>		
<p><b>Key Decision:</b></p> <p><i>(Check the appropriate box and delete all those that <b>do not</b> apply.)</i></p>	<p>Is this a Key Decision and, if so, under which definition?</p> <p>Yes, it is a Key Decision - <input type="checkbox"/></p> <p>No, it is not a Key Decision - <input checked="" type="checkbox"/></p>		
<b>Consultation:</b>	<ul style="list-style-type: none"> <li>See Report No: TMS/SE/17/002</li> </ul>		
<b>Alternative option(s):</b>	<ul style="list-style-type: none"> <li>See Report No: TMS/SE/17/002</li> </ul>		
<b>Implications:</b>			
Are there any <b>financial</b> implications? If yes, please give details		Yes <input type="checkbox"/>	No <input type="checkbox"/>
		<ul style="list-style-type: none"> <li>See Report No: TMS/SE/17/002</li> </ul>	
Are there any <b>staffing</b> implications? If yes, please give details		Yes <input type="checkbox"/>	No <input type="checkbox"/>
		<ul style="list-style-type: none"> <li>See Report No: TMS/SE/17/002</li> </ul>	
Are there any <b>ICT</b> implications? If yes, please give details		Yes <input type="checkbox"/>	No <input type="checkbox"/>
		<ul style="list-style-type: none"> <li>See Report No: TMS/SE/17/002</li> </ul>	
Are there any <b>legal and/or policy</b> implications? If yes, please give details		Yes <input type="checkbox"/>	No <input type="checkbox"/>
		<ul style="list-style-type: none"> <li>See Report No: TMS/SE/17/002</li> </ul>	
Are there any <b>equality</b> implications? If yes, please give details		Yes <input type="checkbox"/>	No <input type="checkbox"/>
		<ul style="list-style-type: none"> <li>See Report No: TMS/SE/17/002</li> </ul>	
<b>Risk/opportunity assessment:</b>		<i>(potential hazards or opportunities affecting corporate, service or project objectives)</i>	
<b>Risk area</b>	<b>Inherent level of risk</b> (before controls)	<b>Controls</b>	<b>Residual risk</b> (after controls)
See Report No: TMS/SE/17/002			
<b>Ward(s) affected:</b>		All Wards	
<b>Background papers:</b> <i>(all background papers are to be published on the website and a link included)</i>		See Report No: <a href="#">TMS/SE/17/002</a> to Treasury Management Sub-Committee and the Performance and Audit Scrutiny Committee: Annual Treasury Management and Investment Strategy Statements 2017/2018	
<b>Documents attached:</b>		None	

## **1. Key issues and reasons for recommendation**

### **1.1 Key Issues**

- 1.1.1 Following the Treasury Management Sub-Committee's consideration of Report No: TMS/SE/17/002, the Head of Resources and Performance verbally reported to the Performance and Audit Scrutiny Committee on the Sub-Committee's consideration of the report and recommendation.
- 1.1.2 The Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management required that, prior to the start of the financial year that Council formally approved an Annual Treasury Management and Investment Strategy, setting out the Council's treasury management policy and strategy statements for the forthcoming year.
- 1.1.3 The proposed Annual Treasury Management and Investment Strategy Statements 2017/2018, was attached as Appendix 1 to Report TMS/SE/17/002. The Sub-Committee was informed that the revised investment counterparty limits, reported to the Sub-Committee on 21 November 2016, had been incorporated into the new 2017-2018 Strategy.
- 1.1.4 The Treasury Management Code of Practice, attached as Appendix 2 to Report No: TMS/SE/17/002 had been updated accordingly, to reflect the proposed Annual Treasury Management and Investment Strategy Statements 2017-2018. The Sub-Committee was informed that the revised investment counterparty limits and the use of Enhanced Money Funds (to be added to the approved types of investment), as reported to the Sub-Committee on 21 November 2016, had been incorporated into the 2017-2018 Treasury Management and Investment Strategy
- 1.1.5 The Sub-Committee noted that the final prudential indicators would be updated as part of the Medium Term Financial Strategy, and approved by Council in February 2017.
- 1.1.6 The Treasury Management Sub-Committee had examined the report in detail. In particular, discussions were held on the revised interest rate projections from Sector (the Council's advisors), which were based on the current economic climate; and the option of short or long term borrowing available to the Council and whether there was any other prospects for borrowing.
- 1.1.7 The Performance and Audit Scrutiny Committee considered the report and has put forward recommendations as set out on page two of this report.