## **Cabinet**



Title of Report:	Recommendations of the Performance and Audit Scrutiny Committee: 25 January 2017 Annual Treasury Management and Investment Strategy Statements 2017/2018 and Code of Practice				
Report No:	CAB/SE/17/007				
Report to and dates:	Cabinet	7 February 2017			
	Council	21 February 2017			
Portfolio holder:	Ian Houlder Portfolio Holder for Resources and Performance Tel: 01284 810074 Email: ian.houlder@stedsbc.gov.uk				
Chairman of the Committee:	Sarah Broughton Performance and Audit Scrutiny Committee Tel: 01284 787327 Email: sarah.broughton@stedsbc.gov.uk				
Lead Officer:	Joanne Howlett Service Manager – Finance and Performance Tel: 01284 757264 Email: joanne.howlett@westsuffolk.gov.uk				
Purpose of report:	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.				

(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  (2) the Treasury Management Code of Practice 2017/2018, as contained in Appendix 2 to Report No: TMS/SE/17/002, be approved.  Key Decision:  (Check the appropriate box and delete all those that do not apply.)  Consultation:  Is this a Key Decision and, if so, under which definition? Yes, it is a Key Decision - □ No, it is not a Key Decision or is not perfect De	Recommendation:		It is <u>RECOMMENDED</u> that, subject to the approval of Council:				
Legisland   Leg		I 2 R	Investment Strategy Statements 2017/2018, as contained in Appendix 1 to Report No: TMS/SE/17/002, be approved;				
Check the appropriate box and delete all those that do not apply.)   No, it is not a Key Decision - □ No, it is not a Key Decision - □ No, it is not a Key Decision - □ No, it is not a Key Decision - □ No, it is not a Key Decision - □ No, it is not a Key Decision - □ No, it is not a Key Decision - □ No, it is not a Key Decision - □ No, it is not a Key Decision - □ No, it is not a Key Decision - □ No, it is not a Key Decision - □ No, it is not a Key Decision - □ No, it is not a Key Decision - □ No □ No; TMS/SE/17/002		2	2017/2018, as contained in Appendix 2 to				
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	Documents attach	ed:					

## 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.