

## PLYMOUTH CITY COUNCIL

**Subject:** Treasury Management Strategy and Annual Investment Strategy  
2014/15

**Committee:** Audit Committee / Cabinet

**Date:** 23 January 2014 / 11 February 2014

**Cabinet Member:** Councillor Lowry

**CMT Member:** Malcolm Coe (Assistant Director for Finance)

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**Ref:** Fin/TM/SRA-AL-2014-01-14.

**Key Decision:** No

**Part:** I

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### **Purpose of the report:**

The Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice for Treasury Management in Public Services requires local authorities to set a Treasury Management Strategy and Prudential Indicators on an annual basis to include the Annual Investment Strategy.

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### **The Brilliant Co-operative Council Corporate Plan 2013/14 -2016/17:**

Effective financial management is fundamental to the delivery of corporate improvement priorities. Treasury Management activity has a significant impact on the Council's activity both in revenue budget terms and capital investment and is a key factor in facilitating the delivery against a number of corporate priorities.

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### **Implications for Medium Term Financial Plan and Resource Implications: Including finance, human, IT and land**

Treasury Management affects the Council's budget in terms of borrowing costs and investment returns. The Treasury Management Strategy sets the authorised limits and operational boundaries within which investment and borrowing decisions are taken and risks managed.

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### **Other Implications: e.g. Child Poverty, Community Safety, Health and Safety and Risk Management:**

- Risk Management to identify any risk management issues. To ensure that the councils borrowing and investments are managed with due regard to appropriate levels and categories of risk.
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## Equality and Diversity

Has an Equality Impact Assessment been undertaken? No

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### Recommendations and Reasons for recommended action:

1. Audit Committee to recommend the annual Treasury Management Strategy and Annual Investment Strategy 2014/15 (incorporating the authorised limits, operational boundaries and prudential indicators) to the Cabinet.
2. The Cabinet recommends the Treasury Management Strategy and Annual Investment Strategy 2014/15 (incorporating the authorised limits, operational boundaries and prudential indicators) to the Council for approval

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### Alternative options considered and rejected:

It is statutory requirement under the Local Government Act 2003 and supporting regulations to set an annual treasury strategy for borrowing and prepare an annual investment strategy. The Council has adopted the CIPFA Code of Practice for Treasury Management.

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### Published work / information:

Not Applicable

### Background papers:

Not Applicable

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### Sign off:

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Originating SMT Member Malcolm Coe, Assistant Director													
Has the Cabinet Member(s) agreed the contents of the report? No, but this will happen following any recommendations from Audit Committee													