

## PLYMOUTH CITY COUNCIL

<b>Subject:</b>	Treasury Management Strategy 2018/19
<b>Committee:</b>	Audit Committee
<b>Date:</b>	7 December 2017
<b>Cabinet Member:</b>	Councillor Darcy
<b>CMT Member:</b>	Andrew Hardingham (Assistant Director for Finance)
<b>Author:</b>	Chris Flower, Finance Business Partner – Accountant for Capital and Treasury Management
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<b>Ref:</b>	Fin/CF
<b>Key Decision:</b>	No
<b>Part:</b>	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 on an annual basis to include the Annual Investment Statement and the Minimum Revenue Provision Statement.

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### **The Council Corporate Plan 2016/19**

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. Effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving value for money in treasury management, and to employing suitable performance measurement techniques, within the context of effective risk management.

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

A robust Treasury Management Strategy is key to ensuring a successful delivery of our Medium Term Financial Strategy and ensuring the Council can achieve its objectives to be a Pioneering,

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Growing Caring and Confident City.

**Equality and Diversity**

Has an Equality Impact Assessment been undertaken? No

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**Recommendations and Reasons for recommended action:**

- I. The Audit Committee recommends the Treasury Management Strategy 2018/19 (incorporating the authorised limits, operational boundaries and prudential indicators) to the Cabinet for approval.

*This is to comply with the CIPFA Code of Practice and discharge our statutory requirement.*

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**Alternative options considered and rejected:**

It is a 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

Title	Part I	Part II	Exemption Paragraph Number						
			1	2	3	4	5	6	7

**Sign off:**

Fin	PII 71 8.128	Leg It/29 497/ 2811 17		Mon Off It/DVS /2949 7		HR		Assets		IT		Strat Proc	
Originating SMT Member Andrew Hardingham, Assistant Director													
Has the Cabinet Member(s) agreed the contents of the report? Yes													