

Audit and Governance Committee – 31 May 2018 - Minute 11

Annual Report on Treasury Management Activities 2017/18



Chris Flower (Finance Business Partner) presented the Annual Report on Treasury Management Activities 2017/18.

The following points were highlighted to Members:

- a) as a result of the European Directive, Markets in Financial Instruments Directive (MiFID II), from 3 January 2018 Local Authorities were automatically treated as retail clients but could 'opt up' to professional client status, providing certain criteria was met - Plymouth had met the conditions to opt up to professional status and had done so to maintain its MiFID II status;
- b) the Council's Treasury Management Board has determined it was more cost effective to borrow short term loans instead of fixing in at higher long term rates;
- c) during 2017/18 the Council's investment and cash balances ranged between £70-£100 million due to timing differences between income and expenditure
- d) the Council confirmed compliance with its Prudential Indicators for 2017/18 which were set out in February 2017 as part of the Council's Treasury Management Strategy.

The Audit & Governance Committee agreed:

1. to note the Treasury Management Annual Report 2017/18;
2. to refer the Treasury Management Annual Report 2017/18 to Full Council for approval.