

## PLYMOUTH CITY COUNCIL

**Subject:** Treasury Management Strategy 2019/20  
**Committee:** Audit Committee  
**Date:** 10 December 2018  
**Cabinet Member:** Councillor Lowry  
**CMT Member:** Andrew Hardingham (Interim Strategic Director for Transformation and Change)  
**Author:** Chris Flower, Finance Business Partner – Accountant for Capital and Treasury Management  
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**Ref:** Fin/CF  
**Key Decision:** No  
**Part:** I

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

This report sets out the Treasury Management Strategy for 2019/20 and includes the Annual Investment Strategy, the new Non-Treasury Management Investment Strategy and the Minimum Revenue Provision Statement.

These reports are required by The Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice for Treasury Management in Public Services.

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### **Corporate Plan**

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:**

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

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**Sign off:**

Fin	PL.18. 19.14 8	Leg	ALT/ 3050 8/1	Mon Off	ALT/ 3050 8/1	HR		Assets		IT		Strat Proc	
Originating SMT Member Andrew Hardingham, Assistant Director													
Has the Cabinet Member(s) agreed the contents of the report? Yes													