

Date of meeting:	16 September 2019
Title of Report:	<b>Annual Report on Treasury Management Activities for 2018/19</b>
Lead Member:	Councillor Mark Lowry (Cabinet Member for Finance)
Lead Strategic Director:	Andrew Hardingham (Service Director for Finance)
Author:	Chris Flower, Finance Business Partner (Capital and Treasury Management)
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Your Reference:	Fin/CF
Key Decision:	No
Confidentiality:	Part I - Official

## Purpose of Report

In order to comply with the Code of Practice for Treasury Management, the Council is required to formally report on its treasury management activities for the year, providing information on the progress and outcomes against the Treasury Management Strategy. This report covers the treasury management activities for financial year 2018/19 including the final position on the statutory Prudential Indicators.

This report:

- is prepared in accordance with the CIPFA Treasury Management Code and the Prudential Code;
- confirms capital financing, borrowing, debt rescheduling and investment transactions for the year 2018/19;
- provides an update on the risk inherent in the portfolio and outlines actions taken by the Council during the year to minimise risk;
- gives details of the outturn position on Treasury Management transactions in 2018/19;
- confirms compliance with treasury limits and Prudential Indicators (PIs) and the outlines the final position on the PI's for the year.

In line with the recommendations in the Code of Practice, this report was submitted to and considered by Audit and Governance Committee on 22 July 2019, as the committee responsible for scrutiny of the treasury management function.

In accordance with Treasury Management Practices note 6, this report is required to be submitted to Full Council for information.

## Recommendations and Reasons

That Council, per Part H, Financial Regulations, Section 19.1 of the Constitution, notes the Treasury Management Annual Report 2018/19

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

### Alternative options considered and rejected

None - it is a requirement per the Constitution to report to Council on the treasury management activities for the year.

### Relevance to the Corporate Plan and/or the Plymouth 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.

### Implications for the Medium Term Financial Plan and Resource Implications:

Into the medium and longer term the Council is facing significant pressures due to the national economic situation, which has led to a reduction in resources for local authorities over the Government's latest spending period. Effective Treasury Management will be essential in ensuring the Council's cash flows are used to effectively support the challenges ahead.

### Carbon Footprint (Environmental) Implications:

None directly arising from this report.

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

*\* When considering these proposals members have a responsibility to ensure they give due regard to the Council's duty to promote equality of opportunity, eliminate unlawful discrimination and promote good relations between people who share protected characteristics under the Equalities Act and those who do not.*

There is an inherent risk to any Treasury Management activity. The Council continues to manage this risk by ensuring all investments are undertaken in accordance with the approved investment strategy, and keeping the counterparty list under constant review.

### Appendices

*\*Add rows as required to box below*

Ref.	Title of Appendix	Exemption Paragraph Number (if applicable) <i>If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.</i>						
		1	2	3	4	5	6	7
A	Annual Report on Treasury Management Activities 2018/19							

### Background papers:

*\*Add rows as required to box below*

*Please list all unpublished, background papers relevant to the decision in the table below. Background papers are unpublished works, relied on to a material extent in preparing the report, which disclose facts or matters on which the report or an important part of the work is based.*

Title of any background paper(s)	Exemption Paragraph Number (if applicable)						
	1	2	3	4	5	6	7

**Sign off:**

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Originating Senior Leadership Team member: Andrew Hardingham, Director for Finance											
Please confirm the Strategic Director has agreed the report? Yes											
Date agreed: 10/07/2019											
Cabinet Member approval: Councillor Mark Lowry (via email)											
Date approved: 12/07/2019											