

Present: Barnett (Vice-Chair in Chair), Baigent, Bick, Cantrill, Sinnott and Sarris

<p style="text-align: center;"><b>RECOMMENDATION TO COUNCIL (EXECUTIVE COUNCILLOR FOR FINANCE AND RESOURCES COUNCILLOR ROBERTSON )</b></p>
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**TREASURY MANAGEMENT HALF YEARLY UPDATE REPORT 2016/17**

The Council had adopted The Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Treasury Management (revised 2011).

The Code required as a minimum receipt by full Council of an Annual Treasury Management Strategy Statement which includes the Annual Investment Strategy and Minimum Revenue Provision Policy for the year ahead, a half-year review report and an Annual Report (stewardship report) covering activities in the previous year.

The half-year report had been prepared in accordance with CIPFA's Code of Practice on Treasury Management and covers the following:-

- The Council's capital expenditure (prudential indicators);
- A review of compliance with Treasury and Prudential Limits for 2016/17;
- A review of the Council's borrowing strategy for 2016/17;
- A review of the Treasury Management Strategy Statement and Annual Investment Strategy;
- A review of the Council's investment portfolio for 2016/17; and;
- An update on interest rate forecasts following economic news in the first half of the 2016/17 financial year.

In line with the Code of Practice, all treasury management reports have been presented to both Strategy & Resources Scrutiny Committee and to full Council.

An additional recommendation was agreed that Deutsche Bank was removed from the CounterParty list.

The Strategy and Resources Committee considered and approved the recommendations by 4 votes to 0 with 2 abstentions.

**Accordingly, Council is recommended to:**

2.1 Approve the Treasury Management Half Yearly Update Report, 2016/17 which includes the Council's estimated Prudential and Treasury Indicators 2016/17 to 2019/20.

2.2 Approve amendments to the Counterparty limits as follows:

Name	Recommended Limit (£)
Enhanced Cash Funds (Standard & Poor's: AAAf/S1, Fitch AAA/V1)	10m (in each fund)
CCLA Local Authorities' Property Fund	15m

2.3 Increase the upper limit on principal sums to be deposited for over 1 year to £50m.

2.4 Approve an amendment to the Minimum Revenue Provision Policy for 2016/17.

2.5 Agree to remove Deutsche Bank from the CounterParty list.