

STRATEGY & RESOURCES**3 February 2020**

5.00- 8.05 pm

Present: Councillors Davey (Chair), Todd-Jones (Vice-Chair), Bick, Dalzell, Green

RECOMMENDATION TO COUNCIL**Treasury Management Strategy Statement Report 2020/21 to 2023/24**

The Council is required to receive and approve as a minimum three main treasury management reports each year.

The first and most important is the Treasury Management Strategy, which covers:

- Capital plans (including prudential indicators)
- A Minimum Revenue Provision policy which explains how unfinanced capital expenditure will be charged to revenue over time;
- The Treasury Management Strategy (how investments and borrowings are to be organised) including treasury indicators; and
- A Treasury Management Investment Strategy (the parameters on how investments are to be managed)

A mid-year treasury management report is produced to update Members on the progress of the capital position, amending prudential indicators as necessary and advise if any policies require revision.

The Outturn or Annual Report compares actual performance to the estimates in the Strategy.

The statutory framework for the prudential system under which local government operates is set out in the Local Government Act 2003 and Capital Financing and Accounting Statutory Instruments. The framework incorporates four statutory codes. These are:

- the Prudential Code (2017 edition) prepared by CIPFA;
- the Treasury Management Code (2017 edition) prepared by CIPFA;

- the Statutory Guidance on Local Authority Investments prepared by Ministry of Housing, Communities and Local Government (MHCLG) (effective 1 April 2018); and
- the Statutory Guidance on Minimum Revenue Provision prepared by MHCLG (effective 1 April 2019).

It should be noted that the estimated Prudential & Treasury Indicators for 2019/20 to 2023/24 (inclusive), as set out in Appendix C to the officers report, include amounts for other long-term liabilities arising from the implementation of International Financial Reporting Standard (IFRS) 16 in April 2020. In previous years there were no long-term liabilities to be disclosed within these indicators.

The Strategy and Resources Scrutiny Committee considered and approved the recommendations unanimously.

Accordingly, Council is recommended to:

- i. approve this report, including the estimated Prudential & Treasury Indicators for 2019/20 to 2023/24 (inclusive) as set out in Appendix C of the officers report.