
Subject:	REVISED 2016/17 TREASURY MANAGEMENT STRATEGY
Meeting and Date:	Cabinet – 21 November 2016 Scrutiny (Policy and Performance) Committee – 22 November 2016 Cabinet – 28 November 2016 Council – 30 November 2016
Report of:	Mike Davis, Director of Finance, Housing and Community
Portfolio Holder:	Councillor Mike Connolly, Portfolio Holder for Corporate Resources and Performance
Decision Type:	Non-Key
Classification:	Unrestricted

Purpose of the report: To update the 2016/17 Treasury Management Strategy.

Recommendation: Cabinet

It is recommended that Cabinet recommend to Council that the revised 2016/17 Treasury Management Strategy be approved.

Council

It is recommended that Council approve the revised 2016/17 Treasury Management Strategy.

1. Summary

The purpose of this report is to update the 2016/17 Treasury Management Strategy (TMS) to enable prudential borrowing to support the Property Investment Strategy project to be undertaken.

Members should be aware that only the amended sections of the strategy have been included in the attached Appendix and the amendments have been highlighted. All other areas remain as approved by Council on 21st September 2016.

2. Introduction and Background

The Council produces an annual Treasury Management Strategy Statement (TMSS) as part of the budget setting process, which is incorporated within the Medium Term Financial Plan (MTFP) each year. The strategy includes the approved limits to borrowing activity set each year based on the committed plans at that time.

The Property Investment Strategy report included on the Cabinet and Council agendas includes details of the potential borrowing required to support that strategy and therefore the TMS now needs to be revised to reflect these levels and ensure proper authorisation is in place to enable the borrowing and investments to be undertaken at the appropriate time.

The revised TMS increases the capital financing requirement estimates, the operational boundary and the authorised limits for borrowing by £200m. All other sections of the TMS have remained as approved by Council on 21st September 2016.

Every proposal to borrow will be reviewed against the Prudential Code. In simple terms, "Prudential Borrowing" is affordable and can be repaid over the life of the asset.

The catalyst for producing the revised TMS is the potential borrowing that may be required for the Property Investment Strategy.

3. **Options**

Option 1. To approve the revised 2016/17 Treasury Management Strategy to enable the increased borrowing levels to support the delivery of the Property Investment Strategy. This is the recommended option.

Option 2. Not to approve the revised 2016/17 Treasury Management Strategy. This is not recommended as it means that the Council will be unable to undertake the borrowing required to support the project.

4. **Corporate Implications**

3.1 Comment from the Section 151 Officer: No further comments to add. (HL)

3.2 Comment from the Senior Solicitor to the Council: The Solicitor to the Council has been consulted in the preparation of this report and has no further comments to make.

3.3 Comment from the Equalities Officer: The report does not specifically highlight any equality implications, however in discharging their responsibilities members are required to comply with the public sector duty as set out in section 149 of the Equality Act 2010 <http://www.legislation.gov.uk/ukpga/2010/15>

Appendices

Appendix 1 – Revised 2016/17 Treasury Management Strategy

Background Papers

Medium Term Financial Plan 2016/17–2019/20

Revised 2016/17 Treasury Management Strategy

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