

Report to:	COUNCIL
Relevant Officer:	Steve Thompson, Director of Resources
Relevant Cabinet Member:	Councillor Blackburn, Leader of the Council
Date of Meeting:	28 February 2018

TREASURY MANAGEMENT STRATEGY 2018/ 2019

1.0 Purpose of the report:

- 1.1 The Council will be asked to consider the recommendations of the Executive in relation to the Treasury Management Strategy for the financial year 2018/ 2019.

2.0 Recommendation(s):

- 2.1 To approve the recommendations of the Executive from its meeting held on 5 February 2018, namely:

2.1.1 To adopt all the Elements of the Treasury Management Strategy 2018/19 and to approve the Prudential Indicators and Limits for 2018/19 to 2020/21 as set out in Annex B to the report to the Executive.

2.1.2 To approve the Prudential Indicators and Limits for 2018/19 to 2019/20 which are set out in Annex C to the report to the Executive.

2.1.3 To approve the Minimum Revenue Provision Policy Statement for 2017/18, which will ensure a prudent Minimum Revenue Provision charge in the annual statement of accounts. The policy is set out within Annex D to the report to the Executive).

3.0 Reasons for recommendation(s):

- 3.1 A feature of the 2011 edition of the CIPFA Code of Practice on treasury management activities is the annual approval of strategy and reporting of performance information.

- 3.2a Is the recommendation contrary to a plan or strategy adopted or approved by the Council?

Yes – however, when approved this strategy will replace the current Treasury

3.2b Is the recommendation in accordance with the Council's approved budget? Yes

3.3 Other alternative options to be considered:

None

4.0 Council Priority:

4.1 The relevant Council priorities are "The economy: Maximising growth and opportunity across Blackpool" and "Communities: Creating stronger communities and increasing resilience".

5.0 Background Information

5.1 The Council is required by statute to publish an annual Treasury Management Strategy incorporating its Investment Strategy.

5.2 In essence, the Treasury Management Strategy is an annual plan of how Blackpool Council will manage its investments and cashflows. It identifies the Council's borrowing needs and shows how it will invest temporary surplus cash balances and how it will control its banking, money market and capital market transactions.

5.3 The Scale of Operations at Annex A in the report to the Executive shows the levels of capital expenditure, long-term borrowing and temporary investments and the impact that spending on new capital schemes has on average council tax levels.

5.4 All Members of the Council should have received copies of the papers considered by the Executive at its meeting on 5 February 2018, in connection with the Treasury Management Strategy [available via this link](#).

5.5 Does the information submitted include any exempt information? No

5.6 List of Appendices:

Appendix 4 (a) – Executive Decision Notice EX5 /2018 – Treasury Management Strategy – 5 February 2018.

6.0 Legal considerations:

6.1 None.

7.0 Human Resources considerations:

7.1 None.

8.0 Equalities considerations:

8.1 None.

9.0 Financial considerations:

9.1 Detailed in the report and Annexes A, B, C and D, which were circulated with the Executive agenda for its meeting on 5 February 2018.

10.0 Risk management considerations:

- 10.1
1. Liquidity Risk (accessibility and/or running out of cash)
 2. Market Risk (movements in interest rates – yield)
 3. Credit Risk (investment counterparties might default – security)
 4. Legal Risk (transactions and actions legal/within regulatory limits)
 5. Operational Risk (adequacy of internal processes)

11.0 Ethical considerations:

11.1 None.

12.0 Internal/ External Consultation undertaken:

12.1 With the Council's Treasury Management Panel

13.0 Background papers:

13.1 None.