

Notice of:	EXECUTIVE
Decision Number:	EX6/2018
Relevant Officer:	Steve Thompson, Director of Resources
Relevant Cabinet Member:	Councillor Simon Blackburn, Leader of the Council
Date of Meeting:	5 February 2018

TREASURY MANAGEMENT STRATEGY 2018/19

1.0 Purpose of the report:

- 1.1 To consider the Treasury Management Strategy Report 2018/19 and its annexes A, B, C and D.

2.0 Recommendation:

To recommend to the Council:

- 2.1 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 which are set out in Annex B to this report.
- 2.2 To approve the Prudential Indicators and Limits for 2018/19 to 2020/21 which are set out in Annex C to this report.
- 2.3 To approve the Minimum Revenue Provision Policy Statement for 2018/19, which will ensure a prudent Minimum Revenue Provision charge in the annual statement of accounts. The policy is set out within Annex D to this report.

3.0 Reasons for recommendation:

- 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. This report circulated to members under separate cover sets out the Council's Treasury Management Strategy for 2018/19.

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

No

- 3.2b Is the recommendation in accordance with the Council's approved budget? Not applicable - the report once approved will become the Council's new approved budget
- 3.3 Other alternative options to be considered:
None.
- 4.0 Council Priority:**
The relevant Council Priorities are:
"The economy: Maximising growth and opportunity across Blackpool"
"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 shows the levels of capital expenditure, long-term borrowing and temporary investments and also the impact that spending on new capital schemes has on average Council Tax levels.
- 5.4 Is the Corporate Delivery Unit aware of this report? Yes
The Corporate Delivery Unit has been consulted and will be involved with Resources in ensuring the delivery of the Council's objectives through the Treasury Management Strategy.
- 5.5 Does the information submitted include any exempt information? No

5.6 List of Appendices:

Treasury Management Strategy 2018/19

Annex A – Scale of Operations

Annex B – Elements of the Treasury Management Strategy 2018/19 – 2020/21

Annex C – Prudential Indicators

Annex D – Policy on Minimum Revenue Provision

(All circulated to members under separate cover)

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 Please see the Report and its Annexes A to D.

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.

14.0 Key decision information:

14.1 Is this a key decision? Yes

14.2 If so, Forward Plan reference number: 31/2017

14.3 If a key decision, is the decision required in less than five days? N/A

14.4 If yes, please describe the reason for urgency:

15.0 Call-in information:

15.1 Are there any grounds for urgency, which would cause this decision to be exempt from the call-in process? No

15.2 If yes, please give reason: N/A

TO BE COMPLETED BY THE HEAD OF DEMOCRATIC GOVERNANCE**16.0 Scrutiny Committee Chairman (where appropriate):**

Date informed: 26 January 2018 Date approved:

17.0 Declarations of interest (if applicable):

17.1 None.

18.0 Executive decision:

18.1 The Executive resolved as follows:

To recommend to the Council:

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 which are set out in Annex B to this report.
2. To approve the Prudential Indicators and Limits for 2018/19 to 2020/21 which are set out in Annex C to this report.
3. To approve the Minimum Revenue Provision Policy Statement for 2018/19, which will ensure a prudent Minimum Revenue Provision charge in the annual statement of accounts. The policy is set out within Annex D to this report.

18.2 Date of Decision:

5 February 2018

19.0 Reason(s) for decision:

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. This report circulated to members under separate cover sets out the Council's Treasury Management Strategy for 2018/19.

19.1 Date Decision published:

6 February 2018

20.0 Executive Members in attendance:

20.1 Councillor Campbell, in the Chair

Councillors Benson, Cross, Jackson, Kirkland, Smith, I Taylor and Mrs Wright

21.0 Call-in:

21.1

22.0 Notes:

22.1 Apologies were received from Councillor Cain who was elsewhere on official Council business.